

Coastline Housing Limited
Consolidated Financial Statements
For the year ended 31 March 2025

Registered Company Number 03284666

Registered Office:
Coastline House
4 Barncoose Gateway Park
Pool, Redruth
Cornwall
TR15 3RQ

Contents

| | |
|---|----|
| Group Information | 3 |
| Chair's and Chief Executive's Report | 5 |
| Strategic Report and Performance Highlights | 6 |
| Statement of Directors Responsibilities | 26 |
| Section 172 Statement | 29 |
| Independent Auditor's Report | 32 |
| Group and Company Statement of Comprehensive Income | 36 |
| Group and Company Statement of Financial Position | 36 |
| Group Statement of Cash Flows | 37 |
| Group and Company Statement of Changes in Equity | 39 |
| Notes to the Financial Statements | 40 |

Group Information

BOARD MEMBERS AND SENIOR STAFF (as at 31 March 2025)

| The Board | Role | From | To | Committee membership during 2024/25 | | | | | | | | | Meeting attendance % |
|-------------|---------------------------------|-------------------|-------------------|-------------------------------------|-----|-----|-----|-----|------|-----|----|-----|----------------------|
| | | | | Group | CDB | CCL | CHM | CSL | ARAC | PIC | PC | CEC | |
| S Harrison | Chair | 25 May 2023 | 26 September 2024 | Y | Y | | Y | Y | | Y | Y | | 89% |
| F Rhodes | Co-opted Non-Executive Director | 01 June 2024 | 25 September 2024 | Y | Y | Y | Y | Y | | | | | 100% |
| | Chair | 26 September 2024 | | | | | | | | | | | |
| A Young | Chief Executive | 09 October 2014 | | Y | Y | Y | Y | Y | | Y | | | 100% |
| A Moore | Vice Chair | 24 January 2024 | 31 March 2025 | Y | Y | Y | Y | Y | | Y | Y | Y | 85% |
| K Kemp | Independent Committee Member | 07 January 2021 | 31 December 2021 | | | | | | | | | Y | 100% |
| | Co-opted Non-Executive Director | 01 January 2022 | 30 September 2022 | Y | Y | Y | Y | Y | | | Y | Y | |
| | Non-Executive Director | 01 October 2022 | | | | | | | | | | | |
| C Pears | Non-Executive Director | 01 March 2021 | 27 February 2025 | Y | Y | Y | Y | Y | Y | Y | Y | | 100% |
| K Harris | Non-Executive Director | 01 September 2020 | | Y | Y | Y | Y | | Y | | Y | | 94% |
| B Treleaven | Non-Executive Director | 01 January 2022 | 25 September 2024 | Y | Y | Y | Y | Y | | Y | Y | | 56% |
| P Doddrell | Non-Executive Director | 01 April 2022 | 31 December 2024 | Y | Y | Y | Y | Y | Y | Y | | Y | 71% |
| G Pipkin | Co-opted Non-Executive Director | 01 January 2024 | 25 September 2024 | Y | Y | Y | Y | Y | Y | | | Y | 88% |
| | Non-Executive Director | 26 September 2024 | | | | | | | | | | | |
| D Barlow | Non-Executive Director | 01 January 2022 | | Y | Y | Y | Y | Y | Y | Y | | Y | 89% |
| M Tucker | Independent Committee Member | 01 January 2022 | 31 December 2023 | | | | | | Y | | | | 92% |
| | Co-opted Non-Executive Director | 01 January 2024 | 25 September 2024 | Y | Y | Y | Y | Y | | | Y | | |
| | Non-Executive Director | 26 September 2024 | | | | | | | | | | | |
| E Chapman | Independent Committee Member | 08 January 2021 | | | | | | | | | | Y | 100% |
| C Jones | Independent Committee Member | 01 September 2022 | | | | | | | | | | Y | 75% |
| M Gaunt | Independent Committee Member | 01 March 2022 | | | | | | | | | | Y | 100% |
| S Curtis | Independent Committee Member | 01 September 2021 | | | | | | | | | | Y | 100% |
| Y Stephens | Independent Committee Member | 26 September 2024 | | | | | | | Y | | | | 100% |
| D Wilcocks | Independent Committee Member | 01 January 2024 | 25 September 2024 | | | | | | | Y | | | 88% |
| | Co-opted Non-Executive Director | 26 September 2024 | 31 March 2025 | Y | Y | Y | Y | Y | | Y | | | |
| K Surgenor | Independent Committee Member | 01 January 2024 | 25 September 2024 | | | | | | | | | Y | 100% |
| | Co-opted Non-Executive Director | 26 September 2024 | | Y | Y | Y | Y | Y | | | Y | | |

On 27 February 2025 the Coastline Housing Limited Board approved the move to a Common Board of all subsidiaries. Each subsidiary formally adopted new articles on behalf of Coastline Housing Limited in its capacity as sole shareholder of each subsidiary. In addition, the necessary changes for the Intra Group Agreement and for Coastline Services Limited, the necessary changes for the Financial Regulations and Standing Orders were made. Board Members' Service Agreements were revised to reflect their revised responsibilities. The Group Board came into effect on 10 March 2025.

Membership Key

CDB Coastline Design and Build Limited

CCL Coastline Care Limited

CHM Coastline Homes Limited

CSL Coastline Services Limited

ARAC Audit, Risk and Assurance Committee

PIC Property and Investment Committee

PC People Committee

CEC Customer Experience Committee

| The Executive Team | | From | To |
|--------------------|--|------------------|----|
| A Young | Chief Executive | 09 October 2014 | |
| L Beard | Deputy Chief Executive (with responsibility for Housing, Assets & Communities) | 26 November 2007 | |
| N Mallows | Director of Finance, People & Change | 25 January 2016 | |
| C Weston | Director of Development & Commercial Services | 01 March 2016 | |

| Company Secretary | | From | To |
|-------------------|-----------------|--------------|----|
| A Young | Chief Executive | 01 July 2025 | |

CORPORATE INFORMATION

| Advisors | |
|----------------------|---|
| Principal Solicitors | Trowers and Hamlins, The Senate, Southernhay Gardens, Exeter EX1 1UG |
| | Stephens and Scown, Osprey House, Malpas Road, Truro, Cornwall TR1 1UT |
| Funders | Santander, 2 Triton Square, Regent's Place, London NW1 3AN |
| | M&G Investments, Laurence Pountney Hill, London, EC4R 0HH |
| | Scottish Widows, Level 5C, 69 Morrison Street, Edinburgh, EH3 8YF |
| | Affordable Housing Finance, 3rd Floor, 17 St. Swithin's Lane, London EC4N 8AL |
| | NatWest plc, 9th Floor, 250 Bishopsgate, London EC2M 4RB |
| | Saltaire Finance plc, 1 Bartholomew Lane, London EC2N 2AX |
| | Homes England, 50 Victoria Street, Westminster, London SW1H 0TL |
| Bankers | NatWest plc, 4 Commercial Square Camborne TR14 8EB |
| External Auditors | PKF Francis Clark, Lowin House, Tregolls Road, Truro, TR1 2NA |
| Internal Auditors | Bishop Fleming, Chy Nyverow, Newham Road, Truro TR1 2DP |

GROUP STRUCTURE

Coastline Housing Limited ('CHL' or 'the Company') was incorporated in November 1996 and is an independent registered charity and social business, run on a non-distribution basis. This means that all profits generated are retained for furtherance of Coastline's charitable objectives. CHL is a public benefit entity.

It has four wholly-owned subsidiaries and together these companies form Coastline Housing Group ('the Group'):

- Coastline Services Limited ('CSL'), a building maintenance and grounds contractor;
- Coastline Design and Build Limited ('CDB'), a design and build contractor;
- Coastline Homes Limited ('CHM'), a design, construction and sale of residential housing contractor; and
- Coastline Care Limited ('CCL'), which has remained Dormant throughout 2024/25

CHL is registered with the Charity Commission as a charitable company and with the Regulator of Social Housing ('the RSH') as a provider of social housing; both of these provide the primary regulatory framework for Coastline with the Regulator of Social Housing as principal regulator.

CHL is also registered with the Care Quality Commission (CQC) for the provision of extra care provided at Miners Court.

CHL is a company Limited by Guarantee registered at Companies House. CSL, CDB, CCL and CHM are all companies limited by shares and are also registered at Companies House.

The Group is governed by a paid Board of Non-Executive Directors and the Chief Executive. The Directors of the Company who have served during the year and up to the date of the signing of these financial statements are listed on page 3.

Chair's Foreword

It is with great pleasure and a deep sense of responsibility that I write this foreword, having assumed the role of Chair. Joining Coastline at such a pivotal moment has offered me the privilege of witnessing the remarkable dedication and resilience that underpins our work.

This year's financial statements reflect not only our continued commitment to sound governance and financial discipline, but also the progress we've made in advancing our strategic priorities. They tell a story of adaptation and determination—qualities that will guide our future direction.

I extend my sincere thanks to the rest of our Board, Executive Team, and all of Coastline's colleagues for their commitment and support, and I look forward to working collaboratively as we build on the strong foundations laid by my predecessors. Together, we will continue to strive for excellence, transparency, and long-term value.

These financial statements are more than numbers—they are a testament to our accountability, ambition and unwavering ambition to end the housing crisis in Cornwall.

Francesca Rhodes
Chair

CEO's Introduction

This year's financial statements capture a moment of progress in our journey to provide safe, affordable, and sustainable homes to the communities we serve. In a time of evolving challenges across the housing sector, Coastline has remained steadfast in its commitment to delivering social value and improving lives.

We've continued to invest in our existing homes, enhance customer services, and build new housing that meets both local needs and potential long-term environmental goals. Our financial position remains resilient, thanks to prudent management and a shared determination across our teams.

I am proud of the work our colleagues have done this year to respond to changing regulatory expectations, economic pressures, and the needs of our customers. As we look ahead, we do so with a clear strategy and renewed ambition with the launch of our new 2025-2030 Coastline Plan—to be not only be a provider of homes, but a cornerstone of thriving, inclusive communities.

Thank you to our Board, colleagues, partners, and all our customers for your trust and collaboration. It's only by working together that we can continue to improve the service that Coastline provides for current and future customers

Allister Young
Chief Executive

Strategic Report and Performance Highlights

PERFORMANCE HIGHLIGHTS

Our homes

- 5,578 number of properties with a valuation of £266.5 million
- 86 homes managed for Legal and General Affordable Homes plus 13 for Garlidna Alms Trust
- 152 completed in the year, all of which were affordable homes
- Number of new shared ownership owners 55
- Shared owners who converted to full ownership 8
- 114 homes started on site

Our financial strength

- £45.1 million turnover
- £9.0 million operating surplus
- 20% operating margin
- £53 million available liquidity

Maintenance of our homes

- £17.9 million repairing and improving homes (expenditure on works to existing properties)
- 16,287 repairs of which 2,720 (17%) were emergencies
- 147 kitchens fitted
- 46 new bathrooms

Levels of compliance

- Gas 100% domestic, 100% communal
- Electrical (5-year) 99.93% domestic, 100% communal & (5 year) 99.9% domestic and communal
- Fire 100% communal

Our customer satisfaction

- Tenant Satisfaction Measure (TSM) Overall Satisfaction 83%
- 128 second average call wait time
- 82,624 number of customer contacts made
- 42,665 telephone calls answered

Our new customers

- 468 families moved into our homes in the year

Our customer-led services

- 96 people helped back into work or training
- 1,641 people helped by our homeless service

Regulator Rating – November 2022

- Governance: **G1**
- Viability: **V2**

WHO ARE WE?

Coastline Group is one of the leading providers of affordable housing in Cornwall, providing 5,578 homes for more than 14,650 people, employing over 380 staff. We are a financially stable not-for-profit housing association that reinvests all its surpluses into improving existing homes, communities and services, and developing new homes.

OUR PURPOSE AND PRINCIPAL ACTIVITY

To provide affordable housing for people on low incomes.

OUR VISION

To end the housing crisis in Cornwall. That is why Coastline exists. This vision is set across three strands:

- **Great Homes** – to provide a range of housing options to meet people’s different needs, to invest in new affordable homes, to invest in places and communities, and to play a leading role in delivering Cornwall’s climate change action plan
- **Great Services** – to listen to our customers and ‘do the right thing’, to earn and maintain trust, to provide helpful, joined up services that are easy for all of our customers, and to continue to learn and improve
- **Great People** – to support the people that live in our homes and communities, to work collaboratively to maximise our resources, and to build on our positive culture and values, so that Coastline can be a great place to work and volunteer.

OUR VALUES

- **Customer focused** - put our customers first
- **Trustworthy** – be open, honest and accountable
- **Learning** – strive to be the best
- **Caring** – value each other

OUR HOMES

During the year, the number of homes we own and managed reached 5,578. The majority of our homes are let at rents lower than full market to people who cannot afford to rent on the open market. We also provide shared ownership properties, market rent and accommodation for those requiring additional support.

In the year, we developed 152 new homes, including 10 affordable rented homes for general needs, 55 for shared ownership and 87 social rented homes.

We have 5,479 owned and managed properties and 99 that we manage but do not own.

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| Property Stock | No. | No. | No. | No. | No. |
| Social housing rented | 4,426 | 4,511 | 4,589 | 4,616 | 4,657 |
| Shared ownership | 409 | 456 | 522 | 606 | 654 |
| Market rented | 5 | 3 | 2 | 1 | 1 |
| Managed but not owned | 69 | 89 | 86 | 99 | 99 |
| Leasehold properties | 117 | 126 | 128 | 151 | 167 |
| Total Housing Stock | 5,026 | 5,185 | 5,327 | 5,473 | 5,578 |
| Garages | 660 | 704 | 710 | 697 | 697 |
| Total Property Stock | 5,686 | 5,889 | 6,037 | 6,170 | 6,275 |

STRATEGY, OBJECTIVES AND PERFORMANCE

2024/25 was our fourth and final year of our Coastline Plan 'Great Futures' 2021-2025 and our third year of our Development Strategy, Environment Strategy and People & Culture Strategy. These, along with our Asset Management Strategy and Homes, Communities & Customer Experience Strategy set our strategic priorities and commitment to demanding targets for our business.

A high-level summary of the Coastline Plan can be found below. Our new Coastline Plan 2025-2030 will be launching in 2025 with aims centred around:

- The importance of customer service, and of our Customer Trust Charter and Customer Pledges;
- Our ambition, whether that is around health and safety compliance, building new homes, or to be an employer of choice in Cornwall;
- An investment in the quality of technology, systems and data to enable us to enhance customer service and improve productivity; and
- A commitment to the highest standards of governance, alongside a focus on financial viability, and ensuring our culture is firmly rooted in our shared values.

Our Financial Statements set out our performance in relation to this, with levels of service and investment performing well.

Our budgets and forecasts were regularly reviewed, and we continued to review and undertake additional stress testing of our long-term business plan, including reforecasting our 2024/25 budget. We stress test our business on negative scenarios to identify any impacts on covenants, security and liquidity throughout the long-term business plan.

We continue to maintain our position as a financially robust organisation with substantial liquidity, covenant headroom and unencumbered assets coupled with strong margins.

Coastline continues to develop its approach to partnership working as an important aspect of what is required to solve the Housing Crisis in Cornwall.

COASTLINE PLAN 2021-2025

During 2024/25 Coastline set 57 targets for the year to help track progress against the 17 aims of the Corporate Plan. Our progress at year end was 81% of these targets were achieved, with only 5% of targets significantly off track.

| | Great Homes | Great Services | Great People | Great Foundations | Total March 25 |
|-------------------------|-------------|----------------|--------------|-------------------|----------------|
| On track | 14 | 10 | 8 | 14 | 46 |
| Slightly off-track | 3 | 1 | 2 | 2 | 8 |
| Significantly off-track | 2 | 1 | 0 | 0 | 3 |
| Not completed/failed | 0 | 0 | 0 | 0 | 0 |
| Total | 19 | 12 | 10 | 16 | 57 |

Our key highlights for the year are:

Great Homes

What went well

- We maintained our 'good' CQC at our Miners Court Extra Care Scheme. Cornwall Council has commenced consultation on the new Approved Provider Framework for extra care service provision and new build, and we are well prepared to work with Cornwall Council for future plans.
- We delivered our full Planned Maintenance/Investment programme for 2024/25, meeting customers' expectations and the needs of our Stock Condition Survey (SCS) and Environmental Strategy.
- Maintained compliance against the 'big six' technical fields of compliance (Gas, Electrical, Legionella, Asbestos, Fire, Lifts), with 100% compliance and completion of technical audits in all areas with high levels of assurance.
- We refreshed the property investment plan and accompanying resource plan, driven by the Stock Condition Survey, and ensuring any changes are reflected in the long term financial Business Plan.
- We reviewed and relaunched our Community Standards Inspections (CSI), introducing a refreshed estate grading process, and improved communication with residents by integrating our CSI app within our customer relationship management software. This resulted in an increase in customer satisfaction.
- Year 2 targets of Social Housing Decarbonisation Fund (SHDF) Programme were delivered with 90 units completed.

What didn't go as well

- Our number of homes completed was 59 lower than planned as result of delays in pre-construction areas and delays on site.
- We targeted 284 homes to start on site but only 114 was achieved. This was mainly as a result of planning being significantly delayed on schemes which has resulted in delays to starts on site. Our 2025/26 is targeting 326 starts on sites and to maintain that pace of growth in future years.
- We completed our automation of the collection of data required for reporting for Environmental, Social and Governance (ESG) and Shift Requirements. 2025/26 will see the shift data set reports being created and automated via software export.

- We completed a review of Grounds Maintenance maps so it is clear for Coastline and customers what areas are maintained and to what standard. Progress was slower than expected due to unexpected complications at the granular level such as Land Registry error and historical use of common areas which require lengthy investigation before action or regularisation. This aim will be carried into 2025/26 at the same time as we move to our new upgraded geographic information system (GIS).

Great Services

What went well

- Our overall satisfaction, measured in the new tenancy standards TP01, saw performance of 83.3% against a sector median of 72.5%.
- Our satisfaction that the landlord listens to tenant views and acts upon them, measured by TP06, saw performance of 71.5% against a sector median of 61.9%.
- Our customer assessed “right first time” on our repairs achieved 91.8% against a target of 88%.
- Our in-house damp and mould team effectively dealing with cases raised by customers.

What didn't go as well

- Our satisfaction with how service failures are handled achieved 47.8% against a target of 75%.
- Our customer satisfaction with how complaints are handled achieved 25.5% against a target of 64.2%. The Board have these under review to ensure we are both learning from the issues that are raised so that we identify the root causes of problems whilst we improve how we manage the process when things go wrong.

Great People

What went well

- We continued to develop Coastline's volunteering programme, including completion of the Investing in Volunteers (IiV) development plan (overseen by the IiV steering group), working with the new Facilities Management Assistants to introduce activities and volunteers based at Trelawny, Veor and Hens Horn (to focus on social inclusion and wellbeing) and examined the benefits of launching a new employability support offer, under the existing Your Next Step banner, which currently delivers volunteering and training opportunities.
- We successfully introduced and promoted Housing Perks rewards for customers which saw 9% of customers using the app with over £12,000 spent on discount vouchers. Housing Perks has been offered to Coastline Customers of all tenures and is regularly promoted with the Communications Team and is included in the new Customer Handbook.
- We achieved gold status of Investors in People achieved in July 2024.
- We now offer colleagues additional holiday to ensure that we are offering a competitive attractive package of benefits to current and future colleagues.

What didn't go as well

- Whilst Coastline are on the panel of Cornwall & Isles of Scilly Construction Skills Hub, there has been no movement in the past 18 months by this panel. We continue to work closely with connections from this panel on other careers and schools work but await movement before being able to become more involved with this project.

Great Foundations

What went well

- We completed our 2024/25 Governance action plan including the recruitment and induction of new Chair; succession planning for Board and ET and external Board and Committee effectiveness review.
- We managed our loan covenant headroom in line with our risk appetite, with gearing headroom in excess of £60.4 million and interest cover headroom of £1.5 million.
- We continued to ensure treasury management activities are effective through limiting exposure of variable debt and managing to fund all contracted activities from existing charged available facilities and cash with a new £40 million loan agreement under the Government Affordable Homes Guarantee Scheme.

What didn't go as well

- Our completion of the programme of IT infrastructure updates and upgrade, including critical improvements to physical and virtual server infrastructure with work expected to be completed early 2025/26.

VALUE FOR MONEY

To deliver 'value for money' (VfM), Coastline must continually look at how resources are used to achieve continuous improvement and excellence in running the business and improving productivity. When viewed in this way, it is clear that VfM is not a stand-alone activity, but something that is intrinsic to all core activities and decision-making processes.

There is therefore no single policy or strategy that sets out how VfM will be achieved. The various threads are pulled together in the Coastline Plan and there is a particularly strong link with performance management and improvement processes, with robust and effective management integral in the process of delivering and improving business productivity.

Our approach to VfM is firmly embedded in our culture. From an ambitious Coastline Plan that is led by the Board and Executive Team and has clear, measurable and stretching objectives, that colleagues and customers were extensively involved in setting the aims of the plan in an inclusive 'bottom up' way. All colleagues are encouraged and supported to develop and propose improvements in what we do and how we do it. We have a Senior Leadership Team that meets monthly to review financial and non-financial performance indicators, to share knowledge and to make decisions based on this information. Our customers are also involved – with the Customer Voice and Customer Experience Committee specifying and reviewing a suite of performance information that they consider important. Performance reporting to Customer Voice is primarily via the Coastline Conversation which provides a regular update to the Customer Experience Committee meetings.

A summary of our performance across our key areas is provided below, including details of performance in line with the Regulator for Social Housing VfM Metrics. The RAG rating provided provides an indication of Coastline performance against the sector averages in simplistic terms with the commentary that follows explaining how the Board consider the wider importance of the cost/quality relationship.

The two areas highlighted by the RAG rating for 2024/25 are Gearing and Cost per Unit. In relation to Gearing (metric 3) this performance continues to reflect the importance of new affordable housing delivery for Coastline which is demonstrated through performance on new supply delivery (metric 2) which remains significantly above the Sector upper quartile performance level.

In relation to Headline Social Housing cost per unit (metric 5) the 2024/25 results include the gross figure for capitalised component replacement which were higher than our previous years due to the impact of the SHDF funded works which are counted gross and not net of the grant received.

| RSH Indicator (consolidated results) | Reference entity | Confirmed Results | | | | Current Year | Budget | Sector LQ | Sector Median | Sector UQ | *SW Median | Coastline Trend | 2024/25 to SW Median | 2024/25 to Sector Median |
|---|------------------|-------------------|---------|---------|---------|--------------|---------|-----------|---------------|-----------|------------|-----------------|----------------------|--------------------------|
| | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2023/24 | | | | | | |
| Metric 1 – Reinvestment % | | 13.3% | 8.1% | 8.9% | 11.9% | 8.7% | 12.9% | 4.3% | 6.7% | 9.4% | 7.0% | | | |
| Metric 2 – New Supply Delivered % (a – Social housing units) | | 2.8% | 3.6% | 3.3% | 3.5% | 2.7% | 3.9% | 0.6% | 1.3% | 2.2% | 1.4% | | | |
| Metric 2 – New Supply Delivered % (b – Non-social housing units) | | 0.1% | 0.0% | 0.4% | 0.2% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | | | |
| Metric 3 – Gearing | | 57.4% | 59.2% | 54.0% | 54.3% | 51.6% | 48.4% | 33.4% | 45.3% | 53.7% | 40.5% | | | |
| Metric 4 – EBITDAMRI Interest Cover (note different to Coastline loan covenants basis, exc. Capitalised interest) | | 123.0% | 103.0% | 88.0% | 112.0% | 106.8% | 117.5% | 88.7% | 128.4% | 169.3% | 158.0% | | | |
| Metric 5 – Headline Social Housing Cost Per Unit | | £3,930 | £4,431 | £4,679 | £4,462 | £5,267 | £5,147 | £4,082 | £4,586 | £5,847 | £4,341 | | | |
| Metric 6 – Operating Margin (a – Social Housing Lettings) | | 29.3% | 22.9% | 18.0% | 22.1% | 20.0% | 18.8% | 14.4% | 19.8% | 25.5% | 18.8% | | | |
| Metric 6 – Operating Margin (b – Overall) | | 26.7% | 20.4% | 18.2% | 17.0% | 19.9% | 16.8% | 12.0% | 18.2% | 23.0% | 18.7% | | | |
| Metric 7 – Return on Capital Employed (ROCE) | | 4.1% | 4.4% | 3.0% | 4.1% | 3.9% | 3.9% | 2.2% | 2.8% | 3.6% | 3.0% | | | |

The Board has considered Coastline's approach to VfM at separate strategy days, reviewing comparative performance across the Regulator's VfM Metrics.

In addition to the reporting within the Statutory Accounts Coastline also produces as many of the measures from the Sector Scorecard as possible from the Sustainability Reporting Standard in a separate document later in the year.

The [Sustainability Reporting Standard for Social Housing \(SRS\)](#) is an environmental, social and governance standard designed to help the housing sector measure, report and enhance ESG performance in a transparent, consistent and comparable way.

Great Homes

We have completed 152 homes, a 3% rate of growth, during the year:

- 10 Affordable Rent
- 55 Shared Ownership and
- 87 Social Rent

Our strategic plan had an ambitious target delivery of 987 new homes during the period 2021-2025, to which we delivered 748 new homes during this period. Whilst we are in a strong financial position to pursue new development opportunities, we are not complacent about potential risks to the business. We continue to undertake robust risk assessment, use prudent assumptions and run analysis on all development opportunities.

This ambitious but thorough approach has seen us become one of largest providers of new affordable homes in Cornwall, and for the previous seven years we have featured in the Inside Housing top ten fastest growing housing associations (based on units delivered by size). This is against a continually challenging market for any new home delivery in the aftermath of an economy downturn and Coastline

is not exempt from these pressures. We have seen issues with contractor insolvency, both material and labour shortages and pressures on overall cost.

We continue to report 100% compliance on our communal areas for gas, electrical and fire. Our compliance on domestic was 100% gas and 99.93% for electrical.

During the year we completed retrofit works as part of the Social Housing Decarbonisation Fund (SHDF) to 90 of our homes.

Great Services

Whilst accounting differences can distort the ratio of responsive to planned maintenance spend; we maintained our approach of being more proactive with our service delivery and seeking investment and renewal as opposed to on-going repairs. During 2024/25, only 17% of our repairs were classed as an emergency.

During 2024/25 we saw a reduction in the backlog on Responsive, Reactive and Minor Planned works streams with our average days to complete a repair improved from 36 days in April 2024 to 30 days by March 2025.

Minor Planned open orders have been reduced from over 280 in April 24 outstanding jobs to under 130 in March 2025. Responsive repairs KPI for emergency jobs completed within target has improved from 98.4% in April 2024 to 99.1% in March 2025. Non-emergency repairs improved from 69.9% in April 2024 to 83.9% in March 2025. The number of responsive repair jobs outstanding have also reduced this year with the team outpacing the demand despite record number of repairs being reported.

Customer satisfaction results have seen a significant shift following the introduction of the Tenant Satisfaction Measures (TSMs) by the Regulator of Social Housing, which set out new requirements for customer satisfaction surveying and reporting from 1st April 2023.

In line with the new regulatory framework, and building on the approach from 2023/24, the 2024/25 survey was conducted with the support of Acuity Research and Practice Ltd, specialists in resident satisfaction, benchmarking, and social housing research. The results were formally reported to the Regulator in June 2024 as part of our compliance with the TSM requirements.

Our initial findings, gathered in Summer 2024, were encouraging. We achieved an overall satisfaction score of 83% (increasing from 81% in 2023/24), placing Coastline above the sector median. We await the publication of comparative data for 2024/25 from other registered providers to better understand our relative performance and identify opportunities to further enhance the quality of services we deliver to our customers and communities.

Great People

We continue to ensure that our team has the capacity to grow and develop, which helps us become a great place to work and be respected for what we do and how we do it. We have continued to invest heavily in our ICT infrastructure, our place of work, our training packages and our overall reward packages for colleagues. The aim of these is to retain and develop talented individuals to help us meet the aims set out in the Coastline Plan. All salaries were subject to an external benchmarking exercise completed by professional advisors in January 2025 alongside explicit additional benchmarking of a number of trades where colleague retention and the external market place were considered of potential concern. The key aim of this work is to ensure that our pay reflects others in the sector, south west and Cornwall more specifically to ensure that pay levels are in line with median rewards levels.

Great Foundations

Whilst our headline social housing cost per unit has significantly increased in 2024/25 from previous years, this is mainly due to an investment in our Social Housing Decarbonisation Fund (SHDF) and solar photovoltaic panels at our Extra Care scheme which received over £1 million grant between the two projects but the grant is excluded from the metric. Our underlying costs have increased to reflect previous investment, not only in our customer's homes, but in our colleagues, but this has been offset by the growth in number of homes

Our approach to the strategic financial stewardship is expressed through a primary focus on our EBITDAMRI ratio to interest payable, essentially operating cashflows. We seek to maintain a healthy balance on risk mitigation and deploying our resources effectively by planning in the longer-term to exceed 135% EBITDAMRI but accepting below this in any one financial period to ensure customer service, property quality as well as colleague health and wellbeing.

During 2024/25, we continued our investment in our customers' homes. Our asset management approach has meant that we have seen a reduction in short-term operating margin resulting from our viability property disposals, which do however improve long-term margins and returns.

Whilst social housing operating margin has decreased from 2023/24 due to our increased investment in major repairs in 2024/25, we continue to perform above the sector and south west median. Operating margin overall has increased which reflects a stronger performance on our first tranche sales activity from 2023/24. While we focus on interest cover as our main strategic financial planning tool, we still maintain a focus on our operating margin. While this measure has reduced, in line with the rest of the sector, the Board keep the operating margin under constant review, as this helps with assessing Coastline's performance both in isolation and in the wider industry setting.

Over the past four years, we have taken advantage of our EBITDAMRI headroom by negotiating with lenders to reduce long-term interest cost liabilities by closing out positions and paying any mark to market costs. The interest rate environment over the last 24-months has seen a continual period of reductions in base rate, and related SONIA rates for variable borrowings coupled with increasingly volatile and rising longer term rates. This has been particular so in relation to UK gilt rates which provide the reference for the majority of Housing Association long dated debt.

Our hedged debt position has been in excess of 100% following the funding in November 2024, this was as part of an agreed strategy to retain in place ISDA trades as an effective forward fix on increased debt levels associated with new affordable housing delivery.

Our gearing continues to increase as we invest to build new affordable homes of various tenures. We continue to maximise our delivery of new housing as this investment delivers additional housing without adding significantly to our management cost base. This maintains the benefit of focusing our attention on housing delivery as well as generating value for money savings over time, which allows us to maintain our investment in wider community-based initiatives which are part of delivering high quality services.

GROUP HIGHLIGHTS, FIVE YEAR SUMMARY

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|--------------|--------------|--------------|--------------|--------------|
| | £m | £m | £m | £m | £m |
| Statement of Consolidated Income | | | | | |
| Turnover: continuing activities | 33.4 | 38.5 | 36.7 | 48.2 | 45.1 |
| Turnover: Shared Ownership Sales | 3.9 | 7.1 | 5.1 | 8.1 | 6.7 |
| Income from lettings | 26.0 | 27.2 | 28.7 | 32.0 | 35.0 |
| Property depreciation | 4.0 | 4.2 | 4.5 | 5.4 | 5.9 |
| Operating surplus before housing sales | 8.4 | 7.0 | 6.5 | 8.4 | 9.1 |
| Operating surplus from social housing lettings | 7.6 | 6.2 | 5.1 | 7.1 | 7.0 |
| Operating surplus | 8.9 | 7.9 | 6.7 | 8.2 | 9.0 |
| Surplus for the financial year | 7.5 | 7.4 | 6.3 | 7.3 | 7.4 |
| Statement of Financial Position | | | | | |
| Housing properties | 277.9 | 296.3 | 318.6 | 354.5 | 379.1 |
| Cash and cash equivalents | 12.1 | 6.2 | 61.5 | 5.7 | 12.1 |
| Indebtedness | 173.4 | 183.7 | 235.7 | 198.1 | 207.6 |
| Total reserves | 59.1 | 68.5 | 74.8 | 82.0 | 90.0 |
| Statistics | | | | | |
| Operating margin | 26.7% | 20.4% | 17.2% | 17.0% | 20.0% |
| Operating margin excluding sales | 28.5% | 22.6% | 20.6% | 24.0% | 23.7% |
| Surplus as % of turnover | 22.5% | 19.2% | 17.2% | 15.2% | 16.3% |
| Operating margin social housing lettings | 29.3% | 22.9% | 18.0% | 22.0% | 20.0% |
| Rent losses | £585,000 | £459,000 | £380,000 | £336,000 | £524,000 |
| Gearing (tightest covenant) | 52.0% | 53.6% | 59.1% | 58.1% | 53.4% |
| EBITDA – MRI interest cover (tightest covenant) | 144.3% | 131.3% | 119.9% | 126.5% | 122% |
| | Units | Units | Units | Units | Units |
| Total social and supported rental | 4,495 | 4,600 | 4,675 | 4,715 | 4,757 |
| Total low costs home ownership | 409 | 456 | 522 | 606 | 654 |
| Total leasehold and market rent | 122 | 129 | 130 | 152 | 167 |
| Total housing | 5,026 | 5,185 | 5,327 | 5,473 | 5,578 |

The results remain strong for 2024/25 and we have delivered a surplus for the year of £7.4 million (2024: £7.3 million). This surplus is stated after £6.5 million profit from property sales and £12.6 million costs to maintain our existing properties

We achieved first tranche sales of 64 against a target of 70, delivering an operating margin of £0.5 million versus a target of £0.5 million. However, a provision of £647,000 for 37 future first tranche sales has been included following an increase in scheme costs for two schemes on site.

The surplus for the year meant we increased our net assets by £8.0 million with housing properties increasing by £24.5 million. We spent £15.5 million on housing under construction and completed 152 new homes with a value of £20.5 million.

The operating margin shows how efficient we are in running the business; and the operating surplus provides the cash we need to fund the construction of new homes and invest in improvements to our existing homes.

The Board have taken the strategic view that Coastline should utilise its resources to invest in existing homes and services and in new homes, rather than protecting the operating margin (beyond what is appropriate for sensible risk management purposes).

Continuing performance is the result of an ongoing focus on delivering efficient, customer focussed services. Our strong financial performance, combined with our high levels of customer satisfaction, provide strong evidence that we are, in the main, delivering the right services in an efficient and cost-effective way.

CAPITAL STRUCTURE AND TREASURY

During the year and at year end, our capital structure was based on bank borrowings, spread across three main lenders, together with capital market bond issues. At 31 March 2025, the breakdown of borrowings was as set out below:

| | Arranged £m | Drawn £m | Undrawn £m |
|----------------------|------------------------|---------------------|-----------------------|
| Bank loans | 211.8 | 166.8 | 45.0 |
| Bond issues | 8.3 | 8.3 | - |
| Private placement | 32.5 | 32.5 | - |
| Total funding | 252.6 | 207.6 | 45.0 |

Borrowing facilities are at both fixed and floating rates of interest in order to manage exposure to interest rate fluctuations. At 31 March 2025, fixed rates of interest ranged from 1% to 7.1%.

| Type of exposure | Actual | Minimum | Maximum |
|-------------------------|---------------|----------------|----------------|
| Fixed rate | 227.6 | 113.8 | 227.6 |
| Floating rate | (20.0) | 0 | 103.8 |

The negative floating rate debt shown above is as a result of the retention of ISDA trades as part of an agreed Finance Strategy which utilised these as an effective forward rate fix in relation to forecast development expenditure and the related increased debt.

Coastline ensures it has sufficient liquidity to cover 18 months forecast net cash requirements for all business activity and has sufficient liquidity to cover over the next five years contractual commitments.

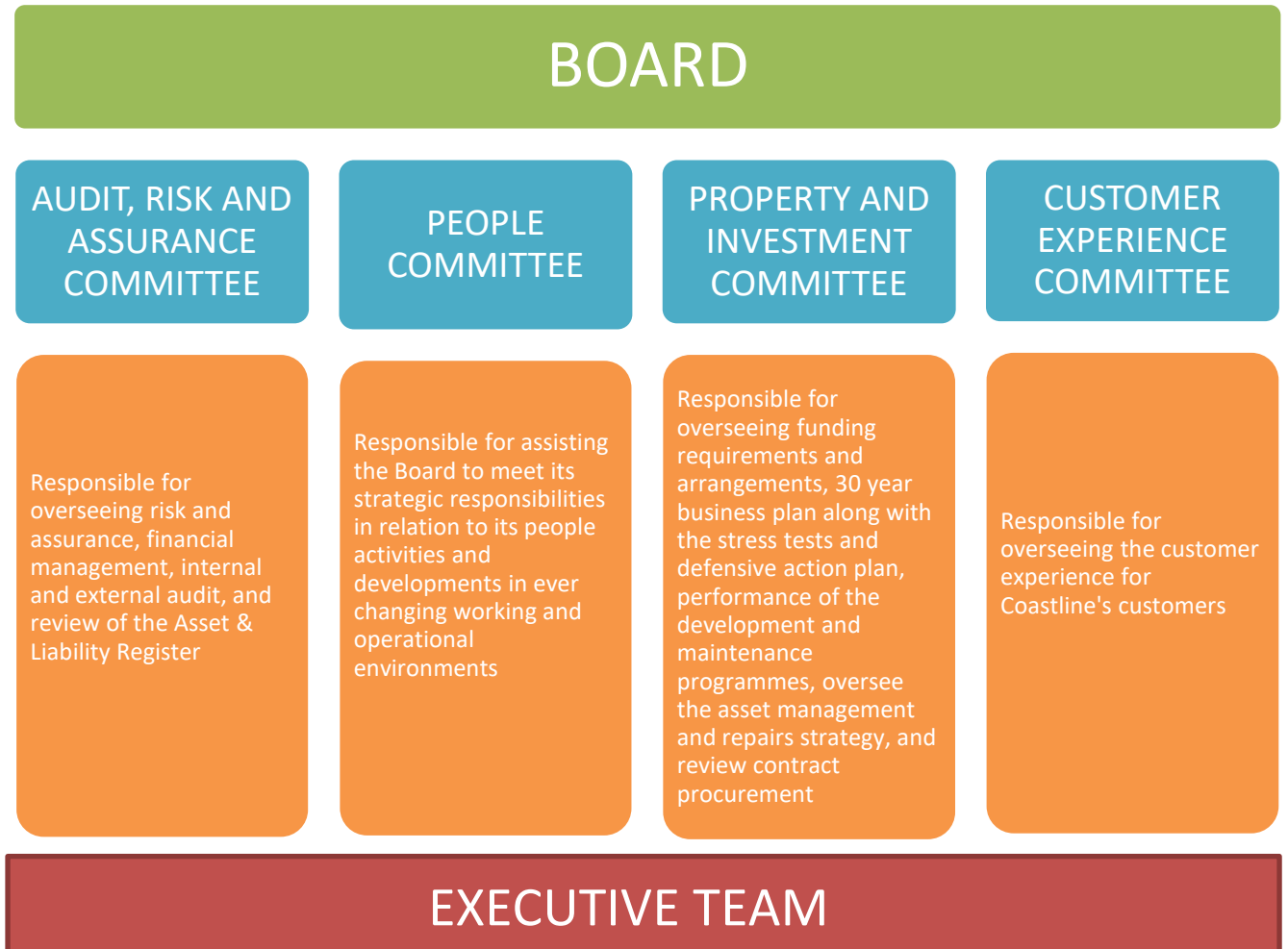
At the year-end, our drawn borrowings of £207.6 million were repayable as follows:

| | 2021 £m | 2022 £m | 2023 £m | 2024 £m | 2025 £m |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Within one year | - | - | - | - | - |
| Between one and two years | - | - | - | - | - |
| Between two and five years | 67.7 | 46.8 | 89.5 | 48.5 | 32.5 |
| After five years | 105.7 | 136.9 | 146.2 | 149.6 | 175.1 |
| Total borrowings | 173.4 | 183.7 | 235.7 | 198.1 | 207.6 |

During 2024/25, a new £40 million facility was executed with ARA Venn under the Government Affordable Housing Guarantee Scheme. Reflecting this was a significant amount of cash being held, this was used to repay a mixture of shorter-term and revolving facilities with Coastline lenders.

Cash inflows and outflows are shown in the Group cash flow statement on page 37.

GOVERNANCE



The Board is composed of nine non-executive members, two co-opted non-executive members and one executive member, with meetings taking place at least six times a year. Board members are drawn from a range of backgrounds. Our appointments policy for non-executive Board and committee members is skills based and aims to ensure appropriate representation of the business needs.

The Board controls the Group's strategic direction and reviews its operating and financial position. It is supplied with timely and relevant information to enable it to discharge its duties. Board papers are distributed in advance of meetings and papers are sufficiently detailed to enable the Directors to understand Coastline's management and performance.

The Board delegates some of its responsibilities to committees. Each committee has clear terms of reference and delegated authority. The committees report back to the Board after each meeting, where their recommendations are considered and approved where appropriate. Each committee is chaired by a member of the Board and they meet quarterly.

Board members undergo an induction programme with regular training either formal or through attending conferences. Each member is expected to attend at least 80% of meetings each year and all are subject to regular performance reviews. The Board members who have served throughout 2024/25 are listed on page 3.

Code of Governance

The Board has adopted the National Housing Federation Code of Governance (2020), and maintains the provision for up to two co-opted members in addition to the Board of up to ten within the Company's Articles.

Coastline fully complies with the NHF Code of Governance (2020).

The Board confirms that Coastline has complied with the Governance and Financial Viability Standard set by the Regulator of Social Housing. The Board acknowledges its responsibility for ensuring that the Association has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to the reliability of financial information used within the Association, or for publication; the maintenance of proper accounting records; the safeguarding of assets against unauthorized use or disposition, and ensuring compliance with relevant laws and regulations, including those relating to health and safety.

Customer Involvement

The Customer Experience Committee is a committee of Customers and non-executive directors that oversees the customer experience for Coastline and makes recommendations to the Board. This approach is considered a key element of 'co-regulation' and provides further assurance over performance and the internal control environment.

We have 18 regularly involved customers and a further 76 volunteers working with us. In addition, we surveyed 5,021 customers for their views on our services and any issues they have experienced.

Employees

Coastline relies on the quality and commitment of its employees in order to meet its corporate objectives. We ensure that sufficient staff with appropriate skills are employed and that effective employment policies are in place and good practice is followed. The Board expresses its thanks for the hard work and commitment shown by all employees and volunteers throughout Coastline.

Equality, Diversity and Inclusion (EDI)

We work with a diverse range of communities, safeguarding some of the most vulnerable and socially excluded people in society. We respect and value differences and recognise that diversity enriches our communities and strengthens our collective resources and effectiveness as One Coastline. We ask our customers to provide EDI and vulnerability/support needs information to know and understand our customer needs and requirements, making any reasonable adjustments as need be on a person-centred level. As we build EDI and vulnerability knowledge, this supports coastline in reviewing whether the services we deliver meet the breadth and diversity of our customers.

We are committed to giving fair and equal treatment to people and our EDI plan sets out how we employ a diverse profile of great people who are representative of the communities we serve. This helps us provide equal access to great services for our customers.

Fuller details of our approach and commitments can be found on our website under the EDI section where our Annual Equality, Diversity and Inclusion Statement is published: [Annual EDI position statement and actio plan 24 25 Web Version.pdf \(coastlinehousing.co.uk\)](https://www.coastlinehousing.co.uk/Annual_EDI_position_statement_and_actio_plan_24_25_Web_Version.pdf)

Coastline retains accreditation as both a Living Wage Foundation and Living Pensions Employer and sees these as being an important aspect of avoiding poverty within our business. Coastline also has level 3 Disability Confident status which allows us to be recognised for the work we do. It also enables us to be more proactive in attracting and supporting different candidates and volunteers into Coastline.

Gender Pay Reporting

| Pay Quartiles by gender (adjusted rate which includes bonus) | | | | | |
|--|--------|--------|--------|--------|--|
| Band | Apr-25 | | Apr-24 | | Description |
| | Male | Female | Male | Female | |
| 1 | 54% | 46% | 49% | 51% | Includes all employees whose hourly rate places them at or below the lower quartile |
| 2 | 37% | 63% | 43% | 57% | Includes all employees whose hourly rate places them above the lower quartile but at or below the median |
| 3 | 57% | 43% | 52% | 48% | Includes all employees whose hourly rate places them above the median but at or below the upper quartile |
| Highest | 65% | 35% | 64% | 36% | Includes all employees whose hourly rate places them above the upper quartile |

| | Apr-25 | | Apr-24 | |
|-----------------------|------------|------------|------------|----------|
| | Male | Female | Male | Female |
| Group Head Count | 210 | 184 | 188 | 173 |
| Mean Hourly Rate | £ 18.13 | £ 16.67 | £ 16.55 | £ 16.11 |
| Median Hourly Rate | £ 15.73 | £ 14.71 | £ 14.89 | £ 14.16 |
| Mean Bonus | £ 1,321.53 | £ 1,133.55 | £ 1,141.92 | £ 950.34 |
| Median Bonus | £ 1,300.55 | £ 1,250.60 | £ 1,025.88 | £ 842.45 |
| % Not receiving bonus | 9.05% | 10.33% | 13.30% | 9.25% |

For the reporting year 2024/25, our gender pay gap was 8.07%, compared to 2.66% in 2023/24. This change reflects a shift in workforce composition and the pay differentials associated with specific roles.

We have taken steps to address previous disparities in bonus payments by increasing the use of fixed-rate performance-related pay. In 2025/26, we will be reviewing our pay policy with the People Committee to ensure that market-driven pay practices do not unintentionally reinforce inequality within our remuneration framework.

We remain committed to fair and transparent practices in pay, recruitment, and retention, and continue to work towards reducing the gender pay gap.

During 2024/25, we expanded our workforce in maintenance services, which included a higher proportion of male employees. This was accompanied by a strategic decision to increase pay levels to reflect current market rates for similar roles in Cornwall. This was balanced by growth in our extra care services, which included a higher proportion of female employees.

Another key measure for Coastline reflecting the outputs from the Hutton review is the ratio of highest paid to the median salary level (excluding the highest paid). The ratio based on April data in line with the gender reporting above (i.e., excluding pension contributions) showed that the ratio for Coastline was 5.43:1 (2024, 5.64:1).

Further details of Executive and staff salaries can be found in the Notes to the Financial Statements (note 9, page 55).

INTERNAL CONTROL AND RISK MANAGEMENT

APPROACH

The Group Board has overall responsibility for the system of internal control and risk management across the Group and for reviewing its effectiveness. The Board also takes steps to ensure the Group adheres to all of the regulatory standards and its associated Code of Practice. The Audit, Risk & Assurance Committee is responsible to the Board for monitoring these arrangements and reporting on their effectiveness.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Group's assets and interests.

ASSURANCE

Assurance over the internal control environment is provided in a number of ways, the most significant of which are set out below;

- An established management structure operating across the Group, with clearly defined levels of responsibility and delegated authorities as outlined in the Standing Orders which include Terms of Reference for the Board and Committees;
- Supported by established policies designed to provide effective internal control and achieve effective corporate governance, including Group-wide policies on;
 - Financial Regulation;
 - Business Ethics Anti-Fraud Bribery & Money Laundering;
 - Safety, Health and Environment;
 - Code of Conduct;
 - Gifts and Hospitality;
 - Procurement;
 - Equality, Diversity and Inclusion;
 - Whistle Blowing – Confidential Disclosure;
 - Data Protection; and
 - All aspects of Employment Law.
- Creating and maintaining an environment where our priority is to care for our people, and those who work with us. We believe that all accidents are preventable and therefore operate an open environment to encourage, report and therefore learn from incidents. Coastline's Safety, Health and Environmental (SHE) Policy is reviewed annually by Board. There are quarterly Management reviews of SHE performance from which the minutes are reported to Executive Team meetings. Board receive a SHE performance report including statistics of accidents, incidents and near misses each quarter.
- Adopting and complying with the National Housing Federation 2020 Code of Governance;
- A Group wide risk management system – an established process for identifying, evaluating, and managing risks faced by the Group; of which our risk management and assurance policy was reviewed and updated within 2024/25 and updates approved by Board in May 2025;
- Customer Scrutiny – Direct lived experience from Coastline communities is brought to the Executive Team and the Board through the Customer Voice, Customer Experience Committee

and a complaints process, which meets expectations of the Housing Ombudsman Service Complaint Handling Code. All of which are used as a key feedback loop on assurance;

- Audit, Risk & Assurance Committee assurance – The Board has delegated authority to this Committee to review the effectiveness of internal control, including risk management and has received regular reports from this Committee throughout the year under review. This Committee meets regularly with members of the Executive Team and the internal auditors to review specific reporting and internal control matters and to satisfy themselves that the internal control systems are operating effectively. The Audit, Risk and Assurance Committee also review and follow up actions to correct identified weaknesses. Board members have access to the minutes of all Audit, Risk and Assurance Committee meetings;
- Internal audit assurance – is managed through the Group governance function and is delivered by Bishop Fleming, whose reports are received by the Audit, Risk & Assurance Committee. The internal audit programme is designed to review key areas of risk and adherence to key policies and relevant laws. The programme is agreed formally and kept under review by the Audit, Risk & Assurance Committee;
- External audit assurance – is managed through the Group finance function and is delivered by PKF Francis Clark. The work of the external auditors provides further independent assurance, as outlined in their audit report. The external auditors have a duty to report to the Board significant matters relating to control weaknesses and inefficiencies that come to their attention during the course of their audit work under the Code of Audit Practice. The Group also receives a letter from the external auditors identifying any internal control weaknesses. In accordance with best practice, the Audit, Risk and Assurance Committee and Board consider this letter;
- In addition to the external and internal audit functions, a number of independent specialist compliance audits are commissioned each year to supplement the assurance framework. These cover areas such as our governance, Gas Servicing programme, Health and Safety arrangements, Fire Risk Assessments, Legionella Management, Radon monitoring and Asbestos Management;
- Preparation and monitoring of budgets – the Executive Team and Board all review Group and subsidiary performance throughout the year. These reports ensure variances are investigated and acted upon. In addition, treasury activity and strategy are subject to regular Board review and approval; and
- A process for approving all investment decisions – all investment decisions are subject to appraisal and approval by the Executive Team, the Property & Investment Committee and the Board, in accordance with a delegation framework.

RISK MANAGEMENT

Management responsibility has been clearly defined for the identification, evaluation and control of risks throughout the Group. There is a formal process of management review through a quarterly reporting framework from management, through the Executive Team to the Audit, Risk and Assurance Committee. The Board formally reviews the risk map and sets the Group's risk appetite on an annual basis.

This Audit, Risk and Assurance Committee reviews the Group's strategic and significant risks and the overall risk position compared to the Board's agreed risk appetite each quarter, and the minutes of the meeting are subsequently reviewed by the Board. At these quarterly reviews the Committee also conducts a deep dive into the entire risk map of a chosen operational area.

During the year the Risk Management and Assurance Policy was updated to reflect that the previously separate Statements of Intent in relation to Safety, Health and Environment have been incorporated

into the strategic risk map themes and a change in risk appetite in relation to Government Policy, legislation and regulation from cautious to averse. The Group risk appetite definitions and appetites assigned to each theme are given in the tables below and have been confirmed as part of the Annual Risk Review approved by the Board in May 2025.

| Appetite Level | Appetite Definition |
|----------------------|---|
| Averse | Avoidance of risk and uncertainty is the key objective |
| Cautious | Preference for very safe options that have a very low degree of inherent risk, acceptance that potential rewards therefore likely to be limited |
| Fair | Preference for safe options that have a low degree of inherent risk, acceptance that potential rewards are likely to be limited |
| Moderate | Preference for options which offer greater potential rewards, willing to accept greater inherent risks |
| Opportunistic | Preference for innovative options with highest potential rewards and inherent risks |

Strategic Risks are those which are considered to be of fundamental importance to the formulation and delivery of Coastline Plan 2021-2025 objectives and are summarised as:

| Strategic Risk Map Theme | Risk Category | Risk Appetite | Risk Mitigation Strategy |
|---|---------------|---------------|---|
| Product Safety (including landlord health and safety) | Operations | Averse | <ul style="list-style-type: none"> Detailed assurance map on property related requirements coupled with third party expert reviews for example CORGI accredited Landlord Gas Safety processes. Development handover process review by internal auditors and all new build defect repairs treated the same as responsive repairs. Pro-active identification of RADON potential issue and reporting to Board. Pro-active review of all buildings in relation to fire safety despite no buildings over 11m |
| | Property | Averse | |
| | Legal | Averse | |
| People and Governance (including Board, Executive, staff and volunteers in relation to skills) | People | Moderate | <ul style="list-style-type: none"> Rolling programme of NED recruitment. Investment in apprenticeships across the business to build skills and capacity for the future. Significant investment in safer working practices for staff. Investors in People 'Gold' rated employer. Investors in Volunteers accreditation and effective deployment of additional resources within business to support charitable activities. Health and Wellbeing Strategy with significant focus on colleagues' mental health. |
| | Governance | Averse | |
| Government Policy, legislation and regulation | Legal | Cautious | <ul style="list-style-type: none"> Active involvement with trade body the National Housing Federation and PlaceShapers group of Housing Associations alongside maintaining effective dialogue with Cornwall Council, local MP's and Parish Councils. |

| | | | |
|--|-------------------------------|----------|--|
| Funding and financial viability | Financial | Fair | <ul style="list-style-type: none"> Annual finance strategy and constant market engagement to maintain existing and develop additional sources of finance. |
| Wider Economic (including sales, rental level exposures as well as interest and inflation rates) | Wider economic | Moderate | <ul style="list-style-type: none"> Exposure to sales limited to ensure that change of product mitigates risk. Regular reporting to Property and Investment Committee and Board on key economic indicators alongside stress testing and scenario planning to inform Defensive Action Plan. |
| Programme (impact of planned expansion on internal systems of governance, management and delivery) | Project/ Programme | Fair | <ul style="list-style-type: none"> Investment into ICT to provide systems and infrastructure that can support growth Cross departmental working supporting issues of peak delivery. Launch of a new Coastline Plan for 2025-2030 covering all underlying strategies |
| Reputation and Trust | Reputational | Fair | <ul style="list-style-type: none"> Business continuity planning and communications strategy in place to mitigate risk Customer Charter pledge commitments includes response time promise of four days coupled with simplified complaints process to ensure that any service failures are promptly dealt with |
| Markets and Supply Chain | Commercial | Fair | <ul style="list-style-type: none"> Digital access and customer first strategy coupled with ICT strategy to improve service offering to Customers and colleagues to improve interactions with and across Coastline. Active discussions with Cornwall Council, Homes England and others on potential strategic alliances to maximise development opportunities. Strategic alliance with Legal and General Affordable Homes providing scope to engage and shape new entrant in social housing markets offering. |
| Technology, Data and Cybersecurity | Technology | Fair | <ul style="list-style-type: none"> On-going programme of training and upgrading of core systems across the business coupled with regular sessions led by the Head of Data & Systems to promote and co-ordinate opportunities for technology-based improvements across the business Cyber insurance provides access to experts in case of major incident. Regular Data Quality Meetings chaired by Director of Finance, People & Change with representation from across Coastline teams Data standards enforced with all changes to key fields in housing management, CRM or Service Connect needing to be approved at Data Quality or Applications Steering Group. |
| | Data & information management | Cautious | |

| | | | |
|---|----------------|------|---|
| Climate Change and related impacts across all of the above Strategic Risks. | Climate change | Fair | <ul style="list-style-type: none"> • Coastline Plan includes objectives to contribute towards alleviating both the causes and impact of climate change on the communities we work in • Full house assessments under the Social Housing Decarbonisation Fund (SHDF) and more recently ECO4 |
|---|----------------|------|---|

FRAUD AND SIGNIFICANT CONTROL FAILINGS

Coastline complies with the Regulator’s requirements with respect to fraud and has a policy requiring a register to be maintained of all actual and attempted fraud, with all cases reported to the Board through the Audit, Risk and Assurance Committee and submitted to the Regulator of Social Housing.

The Audit, Risk and Assurance Committee have reviewed an annual report on Compliance and Internal Controls Assurance, which has subsequently been approved by the Board. No significant control failings or fraud have been identified during the period.

OVERALL ASSESSMENT

The Board is satisfied that the Group’s risk management and internal control systems remained effective during the year to 31 March 2025 and up to the date of the approval of these financial statements.

No weaknesses in internal control which resulted in material misstatement or loss have been identified sufficient to cause material misstatement or loss, which would have required disclosure in these financial statements.

MERGER CODE

In March 2016 the Board considered and adopted the NHF Merger Code. This voluntary code sets out ten principles which form a framework for considering the various ‘partnering’ opportunities that may arise.

The Board regularly reviews its position, the latest being in May 2021, re-asserting Coastline’s commitment to the principles within that Code. Coastline’s corporate values and approved policy includes involving the Board and Executive Team for evaluating merger and strategic alliance opportunities.

OTHER DISCLOSURES

Directors’ and Officers’ Liability Insurance

The Company has maintained Directors’ and Officers’ liability insurance throughout the year. From April 2021 this cover has been provided by Weald Insurance Brokers Ltd following the discontinuation of the offering from the NHF.

Charitable and Political Donations

No political donations were made during the year (2024: £nil). Donations made to charity or other community funding arrangements during the year totalled £11,006 (2024: £12,741).

Disclosure of Information to Auditors

The Board members who held office at the date of approval of this Board report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Group's auditors are unaware; and
- each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Going Concern

The Board confirms it has a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements. Accordingly, it continues to adopt the going concern basis in preparing the Group's and Company's financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board



F Rhodes
Chair – Coastline

SECTION 172 STATEMENT

The revised UK Corporate Governance Code ('2018 Code') was published in July 2018 and applies to accounting periods beginning on or after January 1, 2019. The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. This S172 statement explains how our Directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster Coastline's business relationships with suppliers, customers and other, and the effect of that regards, including on the principal decisions taken by the company during the financial year.
- The S172 statement focuses on matters of strategic importance to Coastline, and the level of information disclosed is consistent with the size and the complexity of the business.

How the Board complied with its Section 172 duty

The Board welcomes this reporting requirement as a further opportunity to explain how dialogue with stakeholders has been woven into the fabric of Coastline decision making. Recent examples of this are: Involvement in 'Homes for Cornwall'; establishment of and then strengthening of Customer Experience Committee, and other customer engagement through Customer Voice; engagement with Cornwall Council through Cornwall & Isles of Scilly Strategic Housing Group, and wider voluntary sector through the Voluntary Sector Alliance; independent review of effectiveness of governance; development of new People & Culture strategy with colleagues and completion of remuneration benchmarking, Living Wage Foundation membership, expert speakers at Board strategy sessions, including speakers from the Federation of Small Businesses and the National Housing Federation and extensive engagement with customers and colleagues on Environment Strategy.

Our current Coastline plan was built up using engagement from Customers, colleagues and input from wider stakeholders and was launched in 2021 and was presented to Board for approval by the employees involved in the process. Our employees continue to update Board on progress regularly against the targets for the homes and services that Coastline provides that stretches both our financial and human resources and maximises delivery against our charitable mission. During 2024/25 our new Coastline Plan covering the period 2025-2030 has been developed in a similar way and was launched in August 2025.

During 2024/25, board recruitment was in line with the National Housing Federation 2020 Code of Governance. We have improved the diversity of our Directors, particularly in gender, and have strengthened engagement with business continuity through wider concern about housing and our new contacts through our Directors, five new Board members including our new Group Chair and four new independent committee members.

Delegation of authority

The Board believes that governance of Coastline is best achieved by delegation of its authority for the executive management of Coastline to the CEO, subject to defined limits and monitoring by the Board and Committee structures (for reference see page 17).

The Board routinely monitors the delegation of authority, ensuring it is regularly updated, while retaining ultimate responsibility. The most recent review was completed in March 2025.

The Board has a long-standing corporate governance framework which reflects the charitable status of Coastline and the regulatory frameworks for Social Housing, Supported Housing and Extra Care services.

The current framework covers the following principal areas:

1. **Company Purpose**
Pursuing Coastline’s charitable objectives and accountability to communities and other stakeholders for the company’s actions. This means focussing primarily on strategic issues, while having regard to economic, political and social issues and other external factors particularly with reference to those impacting Cornwall.
2. **Strategy**
Responsibility for establishing and reviewing the long-term strategy, Corporate Plan and the financial business plan for Coastline, based on proposals made by management for achieving Coastline’s purpose.
3. **Monitoring decisions on the management team and the performance of Coastline**
Including implementation of, and performance against the strategy and the business plan and the exercise of authority delegated to committees and management. The Board satisfies itself that emerging and principal risks to Coastline are identified and understood, systems of risk management, compliance and controls are in place to mitigate such risks and expected conduct of Coastline’s business and its employees is reflected in a shared set of Coastline values.
4. **Succession**
Ensuring that systems and processes are in place for succession, evaluation and compensation of the CEO, executive and non-executive directors and all colleagues at Coastline.

During 2024/25 our directors continued to exercise all their duties, while having regard to these and other factors as they reviewed and considered proposals from management and governed the company on behalf of its charitable purpose through the Board.

| Section 172 Factor | Key Examples | Page(s) |
|---|--|--------------------|
| <i>Section 172 (1) (A)</i> Consequence of any decision in the long term | Company purpose Strategic Plan | 8 to 14 |
| <i>Section 172 (1) (B)</i> Interests of employees | Gender Pay Reporting | 19 |
| <i>Section 172 (1) (C)</i> Fostering business relationships with suppliers, customers and others | Strategy, objectives and performance | 10 to 21 |
| <i>Section 172 (1) (D)</i> Impact of operations on the community and the environment | Strategy, objectives and performance | 10 to 21, 29 to 31 |
| <i>Section 172 (1) (E)</i> Maintaining high standard of business conduct | Governance and Committee Structures Risk management | 17, 18, 21 to 25 |
| <i>Section 172 (1) (F)</i> Acting fairly between members | Balanced long-term decision making Code of Governance | 11 to 18 |

Streamlined Energy and Carbon Reporting (SECR)

Coastline Housing has requested a Streamlined Energy and Carbon Reporting (SECR) statement to comply with the latest SECR Regulations (2019). This report presents a full 3rd party verified SECR statement, compared to the previous financial year's energy usage, for use in Coastline's annual reporting.

As at 1 April 2025 Coastline owned 4,657 low-cost rental domestic homes which includes general needs, supported and Extra Care accommodation.

In addition, for the purposes of SECR operational impacts include utility costs from office spaces, fleet vehicle and staff vehicle mileage.

In terms of corporate impact which is directly accountable to the operations of the business;

| Green House Gas Emissions (GHG) and Energy 1 April 2024-31 March 2025 | | |
|--|----------------------------------|---------------|
| | Total Tonnes CO2 | Units |
| Scope 1 – Direct Emissions | | |
| Fuel for transport purposes | 204.57 | 805,451 kWh |
| Natural Gas | 357.57 | 1,954,965 kWh |
| Scope 2 – Indirect Emissions | | |
| Electricity | 181.51 | 876,636 kWh |
| Total – Scope 1 + 2 | 743.65 | |
| Scope 3 – Other Indirect Emissions | | |
| Housing Stock | 5,810.32 | 4,657 homes |
| Grand Total | 6,598.79 | |
| Intensity Ratio | 1.42 tonnes CO2 per home managed | |

Methodology

Each activity has been calculated in the appropriate units of measure and then converted to metric carbon tonnes to provide consistency.

Energy Efficiency Action

As in previous years Coastline continues to focus energy and waste reduction by using a wide range of cost-effective improvements as driven by work packages relating to the Environmental Strategy. During 2024/25 these improvements included waste collected during 6 targeted Neighbourhood Action Days, to help reduce risks of fly tipping and littering, and removing 16 flatbed truck loads of waste. 185 customers were referred to South West Water for advice on how to reduce water waste through water

saving devices and provided help to clear arrears. Community Energy Plus have supported 157 Coastline customers in Neighbourhood Action Days.

Funded solar panel installations completed in February 2025 at Miners Court, providing each of the 64 flats with their own panel and 2 kWh battery, as well as two communal panels and batteries to power the kitchen, communal lighting and communal heating. Customers were consulted and given information throughout the process on the energy and cost savings. They were also surveyed on their views prior to the works going ahead and are due to be re-surveyed post-completion. The project will reduce 41 tonnes of carbon per year, creating a £346 saving on energy bills per customer.

The Social Housing Decarbonisation Fund (SHDF) provided retrofit works to 90 homes, following customer consultations, which assessed;

- The heating system
- Levels of insulation
- Windows, doors and any areas of draughts or cold spots
- Air circulation/ ventilation
- Occupancy and how the home is used
- Other areas that may impact on how warm the home is and energy use

An internal sustainability fund remains available to customers and is used to support customers, including the provision of essential items, food vouchers, white goods and assistance with fuel debt to enable servicing to take place, 333 customer accessed this service, with 89 referred by the Tenancy Sustainment Team. Over the year, we made 1,216 payments worth £164,856 to our customers to help with energy bills in the cost of living crisis. The fund helps to support our customers and inform them on how to reduce energy usage and provide affordable warmth. Energy information relating to home ratings has been published on social media and regularly within "Coastlines" customer magazine, alongside energy saving advice and guidance.

Our Scope 1 emissions have increased by 8.33 tonnes CO₂e, with the main increase being in our emissions from combustion of gas used by communal/ district heating systems which has increased from 174.94 tonnes CO₂e to 261.95 tonnes CO₂e. This is likely to be due to discrepancies between the definitions of communal heating systems between the two years. In 2023/24 only our Miners Court heating system was classified as communal, compared to any communal blocks or flat blocks this year. This change in definition has seen a significant increase in our communal heating emissions, however it is likely that if consistent definitions were used across the two reporting years that this figure would have remained more consistent.


Scope 3 emissions have seen a 392.08 tonne CO₂e reduction in the last year, primarily the emissions attributed to our homes. This has seen a decrease from 6209.19 tonnes CO₂e to 5,810.32 tonnes CO₂e (a 6.42% decrease), which equates to 1.28 tonnes CO₂ per Coastline home.

Over the last year, we have completed retrofit works including;

- Installing solar panels;
- Replacing insulation;
- Installing new boilers;
- Installing air source or ground source heat pumps;
- Upgrading heating systems; and
- Full house assessments under the Social Housing Decarbonisation Fund, and more recently ECO4.

All of the above retrofit works have led to this significant reduction in emissions produced by our homes, and we aim to keep this momentum going with continued retrofit works planned over the coming years to bring all of our homes up to EPC C before the national deadline.

By order of the Board

A handwritten signature in black ink that reads "Francesca Rhodes". The signature is written in a cursive, slightly slanted style.

Francesca Rhodes
Chair – Coastline Housing Ltd
28 August 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COASTLINE HOUSING LIMITED

Opinion

We have audited the financial statements of Coastline Housing Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Group and Company Statement of Comprehensive Income, the Statement of Financial Position, the Consolidated Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2025 and of the group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the Chair's and Chief Executive's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Chair's and Chief Executive's report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Chair's and Chief Executive's report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 26, the directors are 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group 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 group financial statements.

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

During the audit, we obtained an understanding of the legal and regulatory framework that is applicable to the group to identify areas of laws and regulations that could be expected to have a material effect on the financial statements. This includes the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022 and requirements imposed by the Regulator for Social Housing and the Health and Safety at Work Act 1974. Whilst the group is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Based upon our understanding we designed and conducted audit procedures including:

- review of meeting minutes from Board meetings and Audit, Risk and Assurance Committee

(‘ARAC’) meetings to identify any known instances of non-compliance with laws and regulations, including those relating to health and safety;

- review of the financial statements for specific disclosures required by housing legislation, such as the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022 and requirements imposed by the Regulator for Social Housing;
- review of correspondence received during the financial year from the Regulator for Social Housing for potential breaches in sector specific regulations; and
- review of the risk register maintained by the group for any recordings of fraud or breaches in laws and regulations.

We also assessed the susceptibility of the financial statements to material misstatement through management override or fraud, including in relation to property sales, and obtained an understanding of the controls in place to mitigate the risk of fraud. We also discussed with management whether there had been any instances of known or alleged fraud. Based upon our understanding we designed and conducted audit procedures including:

- review and specific item testing of property sales recorded close to the financial year end, to ensure they had been recognised in the correct accounting period;
- identification and testing of journals entries based on risk criteria, checking for appropriateness of the entries; and
- review of estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates, including in relation to the value of housing stock held in current assets as at year end.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

A further description of our responsibilities is available on the FRC’s website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/descriptionof-the-auditor%E2%80%99s-responsibilities-for>

This description forms part of our auditor’s report.

Signed by:

46B3EDEBE022494...

Duncan Leslie FCA (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP, Statutory Auditor
Lowin House
Tregolls Road
Truro
TR1 2NA

Date: 19 September 2025

Group and Company Statement of Comprehensive Income for the year ended 31 March 2025

| | Note | GROUP | | COMPANY | |
|--|------|-----------------|---------------|-----------------|---------------|
| | | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Turnover: continuing activities | 2 | 45,149 | 48,242 | 44,840 | 47,906 |
| Cost of sales | 2 | (6,963) | (13,441) | (6,963) | (13,441) |
| Operating costs | 2 | (29,222) | (26,591) | (28,924) | (26,297) |
| Operating surplus | 2 | 8,964 | 8,210 | 8,953 | 8,168 |
| Gift aid receivable | | - | - | 152 | 48 |
| Surplus on sales of properties | 5 | 6,513 | 6,633 | 6,513 | 6,633 |
| Other finance expenditure | 6 | (1,173) | (673) | (1,173) | (673) |
| Interest receivable and other income | | 391 | 370 | 391 | 370 |
| Interest payable and similar charges | 7 | (7,318) | (7,201) | (7,318) | (7,201) |
| Surplus for the year before taxation | 4 | 7,377 | 7,339 | 7,518 | 7,345 |
| Tax on surplus | 26 | - | - | - | - |
| Surplus for the year | | 7,377 | 7,339 | 7,518 | 7,345 |
| Other Comprehensive Income | | | | | |
| Actuarial gain/(loss) on pension scheme | 24 | 622 | (147) | 622 | (147) |
| Total recognised surplus for the year | | 7,999 | 7,192 | 8,140 | 7,198 |

All the above results derive from continuing operations and are on a historic cost basis.

The Statement of Comprehensive Income and Other Comprehensive Income was approved by the Board on 28 August 2025 and signed on its behalf by:

F Rhodes
Chair

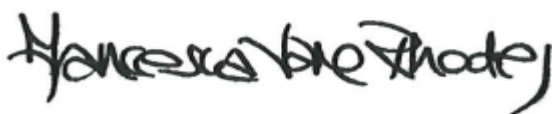
K Harris
Chair of Audit, Risk and Assurance Committee

Statement of Financial Position as at 31 March 2025 (Registered Company)

Number: 03284666)

| | Note | GROUP | | COMPANY | |
|---|------|-----------------|---------------|-----------------|---------------|
| | | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Fixed assets: | | | | | |
| Intangible fixed assets | 11 | 126 | 213 | 126 | 213 |
| Housing properties | 12 | 379,052 | 354,511 | 380,360 | 355,666 |
| Other tangible fixed assets | 13 | 5,562 | 5,134 | 5,413 | 5,105 |
| Investments | 14 | 25 | 25 | 100 | 100 |
| Total fixed assets | | 384,765 | 359,883 | 385,999 | 361,084 |
| Current assets: | | | | | |
| Stock | 16 | 7,530 | 12,710 | 7,163 | 11,847 |
| Rental and other debtors | 15 | 8,095 | 4,735 | 7,983 | 4,614 |
| Cash and cash equivalents | 17 | 12,158 | 5,661 | 10,956 | 4,573 |
| Total current assets | | 27,783 | 23,106 | 26,102 | 21,034 |
| Creditors: amounts falling due within one year | 18 | (18,116) | (18,651) | (16,981) | (17,233) |
| Net current assets | | 9,667 | 4,455 | 9,121 | 3,801 |
| Total assets less current liabilities | | 394,432 | 364,338 | 395,120 | 364,885 |
| Creditors: amounts falling due after more than one year | 19 | (303,579) | (280,839) | (303,579) | (280,839) |
| Pension deficit funding liabilities | 23 | (66) | (78) | (66) | (78) |
| Pension defined benefit liability | 23 | (828) | (1,461) | (828) | (1,461) |
| Provision for tax liabilities | 27 | - | - | - | - |
| Net assets | | 89,959 | 81,960 | 90,647 | 82,507 |
| Represented by: | | | | | |
| Capital and reserves: | | | | | |
| Revenue reserves | | 89,959 | 81,960 | 90,647 | 82,507 |
| | | 89,959 | 81,960 | 90,647 | 82,507 |

These financial statements were approved by the Board on 28 August 2025 and signed on its behalf by:



F Rhodes
Chair



K Harris
Chair of Audit, Risk and Assurance Committee

Consolidated Statement of Cash Flows for the year ended 31 March 2025

| | 2025 £000 | 2024 £000 |
|--|----------------|-----------------|
| Cash flows from operating activities | | |
| Surplus for the year | 7,377 | 7,339 |
| Adjustments for non-cash items: | | |
| Depreciation and impairment charges | 6,396 | 5,624 |
| Amortisation of intangible fixed assets | 119 | 136 |
| Profit on sale of housing properties | (6,513) | (6,633) |
| Profit/Loss on sale of tangible fixed assets | 56 | 1 |
| Loss on sale of shared ownership properties | 0 | 269 |
| (Decrease)/Increase in trade and other debtors | (3,360) | (2,571) |
| Increase/(Decrease) in stocks | 5,180 | 8,163 |
| (Increase)/Decrease in trade, other creditors and provisions | (774) | 1,323 |
| Pension costs less contributions payable | (23) | - |
| Adjustments for investing or financing activities: | | |
| Interest receivable and similar income | (391) | (370) |
| Interest payable and similar charges | 7,319 | 5,960 |
| Amortisation of loan arrangement fees | 804 | 311 |
| Government grants utilised in the year | (1,349) | (1,627) |
| Tax paid | - | - |
| Net cash from operating activities | 14,841 | 17,925 |
| Cash flows from investing activities | | |
| Sale of housing properties | 9,096 | 13,761 |
| Sale of shared ownership properties | 6,650 | 8,146 |
| Acquisitions of housing properties | (32,414) | (52,308) |
| Capital improvements to existing properties | (5,314) | (2,731) |
| Acquisitions of other fixed assets | (1,370) | (663) |
| Grants received to support capital expenditure | 16,089 | 4,712 |
| Purchase of shares in a company | - | (25) |
| Net cash from investing activities | (7,263) | (29,108) |
| Cash flows from financing activities | | |
| Interest paid | (8,516) | (6,831) |
| New secured loans | 40,000 | 10,000 |
| Repayment of loans | (32,174) | (47,605) |
| Loan arrangement fees | (391) | (265) |
| Net cash from financing activities | (1,081) | (44,701) |
| Net (Decrease)/Increase in cash and cash equivalents | 6,497 | (55,885) |
| Cash and cash equivalents at 1 April | 5,661 | 61,546 |
| Cash and cash equivalents at 31 March | 12,158 | 5,661 |

(i)

(i) Analysis of changes in net debt

| GROUP | At 1 April 2024 | Cash flows | Other non- cash changes | At 31 March 2025 |
|----------------------------------|----------------------------|-----------------------|--|---------------------------------|
| | £000 | £000 | £000 | £000 |
| Cash and cash equivalents | | | | |
| Cash | 5,661 | 6,497 | - | 12,158 |
| Overdrafts | - | - | - | - |
| Cash equivalents | - | - | - | - |
| | 5,661 | 6,497 | - | 12,158 |
| Borrowings | | | | |
| Debt due within one year | - | - | - | - |
| Debt due after one year | (198,169) | (7,826) | - | (205,995) |
| | (198,169) | (7,826) | - | (205,995) |
| Total | (192,508) | (1,329) | - | (193,837) |

Statement of Changes in Equity

| GROUP | Revenue reserve | Garlidna reserve | Restricted reserve | Total equity |
|--|------------------------|-------------------------|---------------------------|---------------------|
| | £000 | £000 | £000 | £000 |
| Balance at 1 April 2023 | 74,475 | 261 | 32 | 74,768 |
| Surplus for the year | 7,339 | - | - | 7,339 |
| Other comprehensive income (see note 24) | (147) | - | - | (147) |
| Total comprehensive income for the year | 7,192 | - | - | 7,192 |
| Transfer from Garlidna Reserve | 14 | (14) | - | - |
| Balance at 31 March 2024 | 81,681 | 247 | 32 | 81,960 |
| Balance at 1 April 2024 | 81,681 | 247 | 32 | 81,960 |
| Surplus for the year | 7,377 | - | - | 7,377 |
| Other comprehensive income (see note 24) | 622 | - | - | 622 |
| Total comprehensive income for the year | 7,999 | - | - | 7,999 |
| Transfer to Garlidna Reserve | (26) | 26 | - | - |
| Balance at 31 March 2025 | 89,654 | 273 | 32 | 89,959 |
| COMPANY | Revenue reserve | Garlidna reserve | Restricted reserve | Total equity |
| | £000 | £000 | £000 | £000 |
| Balance at 1 April 2023 | 75,016 | 261 | 32 | 75,309 |
| Surplus for the year | 7,345 | - | - | 7,345 |
| Other comprehensive income (see note 24) | (147) | - | - | (147) |
| Total comprehensive income for the year | 7,198 | - | - | 7,198 |
| Transfer from Garlidna Reserve | 14 | (14) | - | - |
| Balance at 31 March 2024 | 82,228 | 247 | 32 | 82,507 |
| Balance at 1 April 2024 | 82,228 | 247 | 32 | 82,507 |
| Surplus for the year | 7,518 | - | - | 7,518 |
| Other comprehensive income (see note 24) | 622 | - | - | 622 |
| Total comprehensive income for the year | 8,140 | - | - | 8,140 |
| Transfer to Garlidna Reserve | (26) | 26 | - | - |
| Balance at 31 March 2025 | 90,342 | 273 | 32 | 90,647 |

Notes to the Financial Statements

1 Accounting Policies

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102. The Financial Reporting Standard is applicable in the UK and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 30.

Measurement Convention

The financial statements are prepared on the historical cost basis.

Legal Status

The Company is a company limited by guarantee, and is registered in England under the Companies Act 2006. It is a registered social housing provider and a registered charity.

Basis of Preparation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2025. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit or loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

In the parent financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment. The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards, the Accounting Direction for Private Registered Providers of Social Housing 2019 and the Statement of Recommended Practice, “Accounting by Registered Social Housing Providers 2018” (SORP 2018) and the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company’s financial statements.

Going Concern

The financial statements have been prepared on a going concern basis which the Board consider to be appropriate for the following reasons.

The Group prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in May 2025 by the Board. As well as considering the impact of a number of scenarios on the business plan the Board also adopted a stress testing framework

against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the group and company budgets for 2025/26 and the Group's medium- and long-term financial position as detailed in the 30-year business plan, is of the opinion that, taking account of severe but plausible downsides, the Group and Company have adequate resources to continue in business for the foreseeable future. In order to reach this conclusion, the Board have considered:

- The property market – budget and business plan scenarios have taken account of delays in handovers, lower numbers of property sales, reductions in sales values and potential conversion of market sale to social homes;
- Maintenance costs – budget and business plan scenarios have been modelled to take account of cost increases and delays in maintenance expenditure, with major works being phased into future years;
- Rent and service charge receivable – arrears and bad debts have been increased to allow for customer difficulties in making payments and budget and business plan scenarios to take account of potential future reductions in rents;
- Liquidity – available cash and unutilised loan facilities of £52.8 million as at 31 March 2025 which gives significant headroom for committed spend and other forecast cash flows that arise;
- The Group's ability to withstand other adverse scenarios such as higher interest rates increased periods for relets in addition to a higher number of void properties.

The Board believe the Group and Company has sufficient funding in place and expect the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Consolidation

The consolidated financial statements include the financial statements of the Company and its four subsidiaries Coastline Services Limited; Coastline Care Limited; Coastline Homes Limited and Coastline Design and Build Limited. The acquisition method of accounting has been adopted. Transactions between the Company and its subsidiaries are eliminated on consolidation.

Basic Financial Instruments

Trade and other debtors/creditors

Trade and other debtors/creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit or loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Cash and cash equivalents

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

Turnover

Group and Company turnover comprises rental income receivable net of voids, income from property sales, service charges and other services which are included at the invoiced value of goods and services supplied in the period with grant income recognised under either the performance method or accruals method dependent on the type of grant.

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The Company's stock figure includes the proportion of shared ownership properties intended for first tranche sales, whether these have been completed and are ready for sale or in the course of construction.

Outright sale

Completed properties and properties under construction for open market sales are recognised at the lower of cost and net realisable value.

Interest Payable

Interest payable and similar charges include interest payable on long term borrowings. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset.

Other Interest Receivable

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Gift aid income is recognised in the profit or loss account on the date the entity's right to receive payments is established.

Retirement Benefits

The Group operates a defined contribution pension scheme through the Social Housing Pension Scheme operated by The Pensions Trust. The assets of the schemes are held separately from those of the Company in an independently administered fund. The amount charged to the profit or loss account represents the contributions payable to the schemes in respect of the accounting period.

The Group also participated in the defined benefit section of the Social Housing Pension Scheme operated by The Pensions Trust providing benefits based on final pensionable pay or on career average salary, although it is closed to future accrual. The assets of the scheme are held separately from those of the Group. For financial years ending on or after 31 March 2019, The Pensions Trust is able to obtain sufficient information to enable the Company to account for the Scheme as a defined benefit scheme.

Housing Properties

Housing properties are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, directly attributable development costs, interest at the average cost of borrowing for the development period, and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties. Following the adoption of component accounting, completed housing properties are now split between their land and structure costs and a specific set of major components that require periodic replacement.

Depreciation is charged to the profit or loss account on a straight-line basis over the estimated useful lives of each component part of housing properties. Land is not depreciated. The estimated useful lives are as follows:

| | |
|-------------------------------------|----------|
| Structure | 80 years |
| Cladding (as part of the structure) | 20 years |
| Windows and doors | 40 years |
| Roofs | 75 years |
| Kitchens | 20 years |
| Bathrooms | 30 years |
| Lifts (excluding stairs) | 15 years |
| Heating | 30 years |
| Gas boilers/ Heat Pumps | 15 years |

Properties are reviewed for impairment annually. Where housing properties have suffered a permanent diminution in value, the impairment after deducting any related Social Housing Grant is recognised in the statement of consolidated income and included within cumulative depreciation.

Shared ownership properties are included in housing properties at cost related to the percentage of equity retained, less any provisions needed for impairment or depreciation.

Development costs which arise directly from the construction or acquisition of a property are capitalised to housing properties in the course of construction.

Capital expenditure on schemes which are aborted is charged to the statement of consolidated income in the year in which it is recognised that the schemes will not be developed to completion.

Social Housing Grant

Social housing grant (SHG) is initially recognised at fair value as a long-term liability, specifically as deferred grant income and released through the statement of consolidated income as turnover income over the life of the structure of housing properties in accordance with the accrual method applicable to social landlords accounting for housing properties at cost.

On disposal of properties, all associated SHG is transferred to the Recycled Capital Grant Fund (RCGF) until the grant is recycled or repaid to reflect the existing obligation under the social housing grant funding regime.

Where, following the sale of a property, SHG becomes repayable, to the extent it is not subject to abatement, it is included as a liability until it is recycled or repaid. SHG is subordinated in respect of loans by agreement with the Regulator of Social Housing.

Government Grants

These include grants from local authorities and other organisations. Other grants are initially recognised at fair value as a long-term liability, specifically as deferred grant income and released through the

statement of consolidated income as turnover over the life of the structure of housing properties in accordance with the accrual method applicable to social landlords accounting for housing properties at cost.

Grants in respect of revenue expenditure are credited to the statement of consolidated income in the same period as the expenditure to which they relate.

Sale of Housing Properties

Surpluses on sales of housing accommodation comprise proceeds from property sales, which are recognised at the date of completion, less the net book value of the properties and take into account any liabilities under the original Transfer Agreement with Cornwall Council in relation to Right to Buy sales.

Sale of Housing Properties – Shared Ownership

Under shared ownership arrangements, the Company sells an interest of between 10% and 75% in a Low Cost Home Ownership housing property at open market value. The owner of a low cost home has the right to purchase further proportions up to 100% (subject to occasional restrictions) at the then current valuation. Proceeds of sale of first tranches are accounted for as turnover in the statement of consolidated income. Subsequent tranches sold are disclosed in the profit or loss account after the operating result as a surplus or deficit on the sale of fixed assets.

Improvements, Major Repairs, Cyclical Repairs and Day to Day Repairs

The amount of expenditure incurred which relates to an improvement, which is defined as an increase in the net rental stream or the life of a property, has been capitalised. Expenditure incurred on other major repairs, cyclical and day-to-day repairs to housing properties is charged to the statement of consolidated income in the period in which it is incurred.

Other Tangible Fixed Assets

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Other tangible assets include those assets with an individual value in excess of £500 and community alarm equipment, which is specifically associated with an income stream.

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land.

The principal annual rates used for other assets are:

| | |
|-------------------------------------|---------------|
| Freehold office buildings | 50 years |
| Solar PV panels | 20 years |
| Smoke and carbon monoxide detectors | 10 years |
| Furniture, fixtures and fittings | 5 years |
| Motor vehicles | 5 years |
| Plant and equipment | 4 years |
| Computer hardware | 3 years |
| Community alarm equipment | 3 to 10 years |
| Grounds plant and equipment | 3 years |

Intangible Fixed Assets

Intangible fixed assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided evenly on the cost of intangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for intangible assets are:

| | |
|-------------------|---------|
| Computer software | 3 years |
|-------------------|---------|

Operating Leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit or loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit or loss over the term of the lease as an integral part of the total lease expense.

Bad and Doubtful Debts

Provision is made against rent arrears of current and former tenants as well as miscellaneous debts to the extent that they are considered irrecoverable. All former tenant arrears are fully provided for in the year that they occur.

Capitalisation of Interest

Interest on loans financing development is capitalised up to the end of the month in which practical completion occurs.

Capitalisation of Development Costs

Development costs which arise directly from the construction or acquisition of a property are capitalised to housing properties in the course of construction.

Capital expenditure on schemes which are aborted is charged to the statement of consolidated income in the year in which it is recognised that the schemes will not be developed to completion.

Taxation

Coastline Housing Limited is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The profit making companies within the Group (CSL, CCL, CDB and CHM) are liable to UK corporation tax. The credit for taxation for the year includes current tax on the taxable profits for the year for these companies, where the profits are not relieved by losses brought forward.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit or loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Value Added Tax

The Company is registered for VAT, but a large proportion of its income, including rents, is exempt for VAT purposes and the majority of its expenditure is subject to VAT which cannot be reclaimed. Expenditure is therefore shown inclusive of VAT. The Company recovers VAT where appropriate and this is credited to the statement of consolidated income account and back against capital expenditure where appropriate.

Gift aid payment presented within shareholders' funds

Gift Aid payment is only recognised as a liability at the year end to the extent that it has not been paid prior to the year end, there is a deed of covenant prior to the year-end or a Companies Act s288 written resolution has been approved by the shareholder in the year to pay the taxable profit for the year to its parent by a certain payment date.

Income statement

Tax charge to be recorded to the extent that a tax charge is payable (i.e., includes any tax credit related to gift aid)

2 Turnover, Operating Costs and Operating Surplus

| GROUP | 2025 | | | | 2024 | | | |
|---|---------------|----------------|-----------------|-------------------|----------|---------------|-----------------|-------------------|
| | Turnover | Cost of sales | Operating costs | Operating surplus | Turnover | Cost of sales | Operating costs | Operating surplus |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Social housing lettings | 34,944 | - | (27,954) | 6,990 | 32,036 | - | (24,950) | 7,086 |
| Support contracts | 897 | - | (190) | 707 | 824 | - | (824) | - |
| Care and support | 1,440 | - | (687) | 753 | 1,302 | - | (554) | 748 |
| Other activities | 915 | - | (297) | 618 | 817 | - | (171) | 646 |
| Open market sales | 303 | (303) | - | - | 5,117 | (5,117) | - | - |
| Shared ownership first tranche sales | 6,650 | (6,660) | (94) | (104) | 8,146 | (8,324) | (91) | (269) |
| | 45,149 | (6,963) | (29,222) | 8,964 | 48,242 | (13,441) | (26,591) | 8,210 |

| COMPANY | 2025 | | | | 2024 | | | |
|---|---------------|----------------|-----------------|-------------------|----------|---------------|-----------------|-------------------|
| | Turnover | Cost of sales | Operating Costs | Operating surplus | Turnover | Cost of sales | Operating Costs | Operating surplus |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Social housing lettings | 34,944 | - | (27,954) | 6,990 | 32,036 | - | (24,827) | 7,209 |
| Support contracts | 897 | - | (190) | 707 | 824 | - | (824) | - |
| Care and support | 1,440 | - | (686) | 754 | 1,302 | - | (555) | 747 |
| Other activities | 606 | - | - | 606 | 481 | - | - | 481 |
| Open market sales | 303 | (303) | - | - | 5,117 | (5,117) | - | - |
| Shared ownership first tranche sales | 6,650 | (6,660) | (94) | (104) | 8,146 | (8,324) | (91) | (269) |
| | 44,840 | (6,963) | (28,924) | 8,953 | 47,906 | (13,441) | (26,297) | 8,168 |

| GROUP | General | Housing | Shared | 2025 | 2024 |
|--|-----------------|------------------|------------------|-----------------|-----------------|
| Income and expenditure | needs | for Older | ownership | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income from lettings | | | | | |
| Rent receivable | 23,089 | 5,858 | 2,126 | 31,073 | 28,274 |
| Service charges receivable | 1,625 | 897 | - | 2,522 | 2,471 |
| Grant income amortised | 1,349 | - | - | 1,349 | 1,291 |
| Total income from lettings | 26,063 | 6,755 | 2,126 | 34,944 | 32,036 |
| Expenditure on letting activities | | | | | |
| Management | (3,379) | (815) | (559) | (4,753) | (5,053) |
| Services | (2,097) | (509) | (346) | (2,952) | (2,319) |
| Routine maintenance | (1,794) | (433) | (296) | (2,523) | (1,962) |
| Planned maintenance | (7,008) | (1,694) | (1,157) | (9,859) | (8,533) |
| Major repairs expenditure | (1,312) | (317) | (217) | (1,846) | (1,137) |
| Rent losses from bad debts | 180 | 43 | 30 | 253 | (112) |
| Depreciation of housing properties | (4,198) | (1,015) | (693) | (5,906) | (5,375) |
| Other costs | (262) | (63) | (43) | (368) | (459) |
| Operating costs on lettings | (19,870) | (4,803) | (3,281) | (27,954) | (24,950) |
| Operating surplus on lettings | 6,193 | 1,952 | (1,155) | 6,990 | 7,086 |
| Total income from lettings is shown net of void rents losses: | | | | | |
| Rent losses from voids | (344) | (179) | (76) | (599) | (524) |

| COMPANY | General needs | Housing for Older Persons | Shared ownership | 2025 | 2024 |
|--|----------------------|----------------------------------|-------------------------|-----------------|-----------------|
| Income and expenditure | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income from lettings | | | | | |
| Rent receivable | 23,089 | 5,858 | 2,126 | 31,073 | 28,274 |
| Service charges receivable | 1,625 | 897 | - | 2,522 | 2,471 |
| Grant income amortised | 1,349 | - | - | 1,349 | 1,291 |
| Total income from lettings | 26,063 | 6,755 | 2,126 | 34,944 | 32,036 |
| Expenditure on letting activities | | | | | |
| Management | (3,379) | (815) | (559) | (4,753) | (4,895) |
| Services | (2,097) | (509) | (346) | (2,952) | (2,319) |
| Routine maintenance | (1,794) | (433) | (296) | (2,523) | (1,967) |
| Planned maintenance | (7,008) | (1,694) | (1,157) | (9,859) | (8,560) |
| Major repairs expenditure | (1,312) | (317) | (217) | (1,846) | (1,140) |
| Rent losses from bad debts | 180 | 43 | 30 | 253 | (112) |
| Depreciation of housing properties | (4,198) | (1,015) | (693) | (5,906) | (5,375) |
| Other costs | (262) | (63) | (43) | (368) | (459) |
| Operating costs on lettings | (19,870) | (4,803) | (3,281) | (27,954) | (24,827) |
| Operating surplus on lettings | 6,193 | 1,952 | (1,155) | 6,990 | 7,209 |
| Total income from lettings is shown net of void rents losses: | | | | | |
| Rent losses from voids | (344) | (179) | (76) | (599) | (524) |

During the year the Company spent £17.960 million (2024: £14.363 million) on maintaining and improving its existing property stock of which £5.314 million (2024: £2.732 million) was capitalised. £1.037 million grant was received in respect of this expenditure during the year (2024 £nil million).

3 Accommodation in Management

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

| GROUP and COMPANY | 2025 | 2024 |
|--|-------------------|------------|
| | Properties | Properties |
| General needs – social rent | 2,257 | 2,218 |
| General needs – affordable rent | 1,443 | 1,438 |
| Supported housing / housing for older people – social rent | 646 | 649 |
| Supported housing / housing for older people – affordable rent | 149 | 149 |
| Other social housing | 162 | 162 |
| Shared ownership | 654 | 606 |
| Market rented | 1 | 1 |
| Managed but not owned | 99 | 99 |
| Leasehold | 167 | 151 |
| | 5,578 | 5,473 |

4 Surplus for the Financial Year before Taxation

| | GROUP | | COMPANY | |
|---|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| This is stated after charging/ (crediting): | | | | |
| Depreciation on housing properties | 5,542 | 4,874 | 5,542 | 4,874 |
| Depreciation of other tangible fixed assets | 854 | 750 | 854 | 735 |
| Amortisation of intangible fixed assets | 119 | 136 | 119 | 136 |
| Amortisation of grant income | 1,349 | 1,291 | 1,349 | 1,291 |
| Accelerated life on components | 365 | 499 | 365 | 499 |
| (Loss)/Gain on disposal of tangible fixed assets | 56 | 9 | 39 | 1 |
| Operating lease rentals: | | | | |
| - vehicles, plant and equipment | 19 | 21 | - | - |
| - land and buildings | 38 | 36 | - | - |
| Auditor's remuneration: | | | | |
| - audit of these financial statements | 42 | 37 | 42 | 37 |
| - audit of the financial statements of subsidiary companies | 21 | 9 | - | - |
| - tax services | - | - | - | - |
| - other services | - | - | - | - |

5 Surplus on Sale of Housing Properties

| GROUP and COMPANY | 2025 | 2024 |
|--|----------------|---------|
| | £'000 | £'000 |
| Proceeds from sale of housing properties (gross) | 9,096 | 13,761 |
| Less: costs of sales | (2,443) | (7,050) |
| Less: Council share of proceeds under Right to Buy | (140) | (78) |
| | 6,513 | 6,633 |

6 Other Finance Expenditure

| GROUP and COMPANY | 2025 | 2024 |
|---|--------------|-------|
| | £'000 | £'000 |
| Unwinding of discount on the SHPS (note 24) | 374 | 369 |
| Unwinding of discount on the Coastline Pensioners (note 23) | (2) | (7) |
| Amortisation of loan note fees | 801 | 311 |
| | 1,173 | 673 |

7 Interest Payable and Similar Charges

| GROUP and COMPANY | 2025 | 2024 |
|---|----------------|---------|
| | £'000 | £'000 |
| On loans and bank overdrafts | 8,567 | 8,193 |
| Break costs | 339 | 249 |
| Interest capitalised on developments under construction | (1,588) | (1,241) |
| | 7,318 | 7,201 |

The capitalisation rate used to determine the amount of finance capitalised in the period was 6.00% (2024: 6.00%.)

8 Employees

(a) Number of employees

| GROUP | 2025 Number | 2024 Number |
|--|------------------------|----------------|
| Average total full-time and part-time employees during the year | 353 | 350 |
| Average number of full-time equivalents employed during the year | 348 | 341 |

| COMPANY | 2025 Number | 2024 Number |
|--|------------------------|----------------|
| Average total full-time and part-time employees during the year | 215 | 227 |
| Average number of full-time equivalents employed during the year | 200 | 221 |

(b) Staff Costs for the above employees

| GROUP | 2025 £'000 | 2024 £'000 |
|---|-----------------------|---------------|
| Staff costs: | | |
| - gross wages and salaries | 11,262 | 10,028 |
| - employer National Insurance contributions | 1,105 | 968 |
| - employer pension costs | 724 | 589 |
| | 13,091 | 11,585 |

| COMPANY | 2025 £'000 | 2024 £'000 |
|---|-----------------------|---------------|
| Staff costs: | | |
| - gross wages and salaries | 7,183 | 6,880 |
| - employer National Insurance contributions | 756 | 714 |
| - employer pension costs | 546 | 451 |
| | 8,485 | 8,045 |

(c) The full-time equivalent number of staff who received remuneration above £60,000:

| GROUP | 2025 No. | 2024 No. |
|----------------------|---------------------|---------------------|
| £180,001 to £190,000 | 1 | - |
| £170,001 to £180,000 | - | 1 |
| £160,001 to £170,000 | - | - |
| £150,001 to £160,000 | 2 | - |
| £140,001 to £150,000 | 1 | 2 |
| £130,001 to £140,000 | - | 1 |
| £120,001 to £130,000 | - | - |
| £110,001 to £120,000 | - | - |
| £100,001 to £110,000 | 1 | - |
| £90,001 to £100,000 | 3 | 1 |
| £80,001 to £90,000 | 3 | 5 |
| £70,001 to £80,000 | 1 | 3 |
| £60,001 to £70,000 | 7 | 3 |
| | | |
| COMPANY | 2025 No. | 2024 No. |
| £180,001 to £190,000 | 1 | - |
| £170,001 to £180,000 | - | 1 |
| £160,001 to £170,000 | - | - |
| £150,001 to £160,000 | 2 | - |
| £140,001 to £150,000 | 1 | 2 |
| £130,001 to £140,000 | - | 1 |
| £120,001 to £130,000 | - | - |
| £110,001 to £120,000 | - | - |
| £100,001 to £110,000 | 1 | - |
| £90,001 to £100,000 | 2 | 1 |
| £80,001 to £90,000 | 3 | 4 |
| £70,001 to £80,000 | 1 | 3 |
| £60,001 to £70,000 | 7 | 3 |

This includes the remuneration of Executive Officers, which is also disclosed in note 9.

9 Board Members' and Executive Officers' Emoluments

Key management personnel are the Executive Team who oversee the day-to-day operational running and, working with the Board and wider colleagues, identify and execute the Group's strategic direction. They are detailed on page 2 of these accounts.

The remuneration paid to the Executive Officers of the Group and the Board members during the year was as follows:

| EXECUTIVE OFFICERS | Salary | Other emoluments | Pension | 2025 Total | 2024 Total |
|--|----------------|-------------------------|----------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Chief Executive A Young | 144,176 | 24,116 | 11,950 | 180,242 | 173,892 |
| Deputy Chief Executive (with specific responsibility for Housing, Assets and Communities) L Beard | 122,516 | 21,045 | 10,139 | 153,700 | 148,225 |
| Director of Finance, People and Change N Mallows | 120,146 | 24,275 | 9,962 | 154,383 | 147,303 |
| Director of Development and Commercial Services, C Weston | 112,372 | 19,418 | 9,304 | 141,094 | 134,310 |
| TOTAL – COMPANY and GROUP | 499,210 | 88,854 | 41,355 | 629,419 | 603,730 |

The Executive Team remuneration above includes a Higher Performance Award (HPA), which is overseen by the Board, supported by the People Committee. Coastline's Executive salaries are benchmarked to median levels, and the HPA allows the Board to reward performance when it is above median levels, without consolidating this into base salary. Eligibility is assessed against a balanced scorecard criteria that includes financial and non-financial targets. This award is determined with an individual award up to 5% based on performance and paid in full after the end of the year and a collective award up to 5% based on collective performance calibrated against overall business performance with the payment paid out over three years for those still in employment.

| NON - EXECUTIVE DIRECTORS | 2025 | 2024 |
|----------------------------------|---------------|--------|
| | £ | £ |
| M Duddridge (Former Chair) | - | 2,167 |
| S Harrison (Former Chair) | 6,500 | 12,133 |
| A Moore | 7,367 | 9,533 |
| K Harris | 7,800 | 7,800 |
| C Pears | 7,150 | 7,375 |
| B Treleaven | 2,625 | 5,250 |
| D Barlow | 7,322 | 5,250 |
| K Kemp | 8,225 | 8,650 |
| P Doddrell | 3,938 | 5,250 |
| M Tucker | 5,463 | 1,313 |
| G Pipkin | 5,250 | 1,313 |
| K Surgenor | 4,250 | - |
| D Wilcocks | 4,250 | - |
| F Rhodes (Chair) | 8,250 | - |
| TOTAL – COMPANY AND GROUP | 78,390 | 66,034 |

| INDEPENDENT COMMITTEE MEMBERS | 2025 | 2024 |
|--------------------------------------|---------------|--------|
| | £ | £ |
| M Tucker | - | 2,437 |
| E Chapman | 3,250 | 3,250 |
| S Curtis | 3,250 | 3,250 |
| C Jones | 3,250 | 3,250 |
| M Gaunt | 3,250 | 3,250 |
| K Surgenor | - | 812 |
| D Willcocks | - | 812 |
| Y Stephens | 1,625 | - |
| TOTAL – COMPANY AND GROUP | 14,625 | 17,061 |

Expenses paid during the year to Board Members amounted to £6,550 (2024: £1,457).

No Non-Executive Directors participate in any of the four Group pension schemes. At the year-end four Executive Officers were members of one of the schemes (2024: four). At the year-end £nil of pension scheme contributions relating to Executive Officers remained unpaid (2024: Nil). One of the Executive Officers; Allister Young, was a statutory director in the year.

In respect of the officer who held the Chief Executive’s position during the year, pension arrangements were:

- (a) As an ordinary member of the Social Housing Defined Contribution Pension Scheme.
- (b) No enhancement or special terms were applied.
- (c) No individual pension arrangement to which the Group makes a contribution.

10 Trusts

The Company is Sole Corporate Trustee of Garlidna (Penzance Almshouses) Trust. The income and expenditure of the Trust and its assets and liabilities, are incorporated within the Company and Group’s financial statements. A transfer between reserves is performed annually for the deficit or surplus of income over expenditure. This transfer is included within the statement of changes in equity.

11 Intangible Fixed Assets

GROUP and COMPANY

| | Group | Company |
|-------------------------|-------------------|-------------------|
| | £’000 | £’000 |
| | Computer Software | Computer Software |
| Cost | | |
| At 1 April 2024 | 1,783 | 1,733 |
| Net Additions | 32 | 32 |
| Disposals | - | - |
| At 31 March 2025 | 1,815 | 1,765 |
| Depreciation | | |
| At 1 April 2024 | (1,570) | (1,520) |
| Charged in year | (119) | (119) |
| Disposals | | |
| At 31 March 2025 | (1,689) | (1,639) |
| Net book value | | |
| At 31 March 2025 | 126 | 126 |
| At 31 March 2024 | 213 | 213 |

12 Tangible Fixed Assets – Housing Properties

| Group | Freehold Properties | | Shared Ownership Properties | | Garlidna Alms | Total |
|--------------------------------|---------------------|--------------------|-----------------------------|--------------------|---------------|-----------------|
| | Completed | Under Construction | Completed | Under Construction | | |
| | £'000 | £'000 | £'000 | £'000 | | |
| Cost | | | | | | |
| As at 1 April 2024 | 279,064 | 49,031 | 53,817 | 16,027 | 438 | 398,377 |
| Additions | 5,563 | 13,443 | 4,857 | 2,111 | | 25,974 |
| Schemes completed | 15,245 | (15,245) | 5,221 | (5,221) | - | - |
| Components Capitalised | 5,246 | - | - | - | 68 | 5,314 |
| Disposals | (1,331) | | (564) | - | | (1,895) |
| At 31 March 2025 | 303,787 | 47,229 | 63,331 | 12,917 | 506 | 427,770 |
| Depreciation | | | | | | |
| As at 1 April 2024 | (41,420) | - | (2,363) | - | (83) | (43,866) |
| Charge for the year | (4,910) | - | (628) | - | (4) | (5,542) |
| Eliminated on Disposals | 654 | - | 36 | - | | 690 |
| At 31 March 2025 | (45,676) | - | (2,955) | - | (87) | (48,718) |
| Net Book Value | | | | | | |
| At 31 March 2025 | 258,111 | 47,229 | 60,376 | 12,917 | 419 | 379,052 |
| At 31 March 2024 | 237,644 | 49,031 | 51,454 | 16,027 | 355 | 354,511 |

| Company | Freehold Properties | | Shared Ownership Properties | | Garlidna Alms | Total |
|--------------------------------|---------------------|--------------------|-----------------------------|--------------------|---------------|-----------------|
| | Completed | Under Construction | Completed | Under Construction | | |
| | £'000 | £'000 | £'000 | £'000 | | |
| Cost | | | | | | |
| As at 1 April 2024 | 279,089 | 49,610 | 53,915 | 16,480 | 438 | 399,532 |
| Additions | 5,588 | 13,526 | 4,874 | 2,139 | - | 26,127 |
| Schemes completed | 15,245 | (15,245) | 5,221 | 5,221 | - | - |
| Components | | - | - | - | | |
| Capitalised | 5,246 | | | | 68 | 5,314 |
| Disposals | (1,331) | | (564) | | | (1,895) |
| At 31 March 2025 | 303,837 | 47,891 | 63,446 | 13,398 | 506 | 429,078 |
| Depreciation | | | | | | |
| As at 1 April 2024 | (41,420) | - | (2,363) | - | (83) | (43,866) |
| Charge for the year | (4,910) | - | (628) | - | (4) | (5,542) |
| Eliminated on Disposals | 654 | - | 36 | - | - | 690 |
| At 31 March 2025 | (45,676) | - | (2,955) | - | (87) | (48,718) |
| Net Book Value | | | | | | |
| At 31 March 2025 | 258,161 | 47,891 | 60,491 | 13,398 | 419 | 380,360 |
| At 31 March 2024 | 237,669 | 49,610 | 51,552 | 16,480 | 355 | 355,666 |

Included in the cost of housing properties is £6.710 million in respect of cumulative capitalised development administration costs (2024: £6.292 million) and cumulative capitalised interest of £14.512 million (2024: £12.924 million).

All housing properties are freehold. See note 3 for accommodation in management.

Valuation for disclosure only

The value of completed housing properties as at 31 March 2025 on an existing use value, Social Housing (EUV-SH) basis was £266.5 million (2024: £242.9 million).

For information purposes only, completed housing properties are valued at 31 March 2025 by Savills (UK) Limited, qualified professional independent external valuers.

The valuation of the properties was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

In valuing housing properties, discounted cash flow methodology was adopted with key assumptions:

Social housing and shared ownership only

Discount rate 5.25% for main rented stock and 5.50% for sheltered and supported stock.

Rent assumptions: Social rented CPI +1.0%, Shared ownership RPI +0.5% and Other rents RPI +1.0% or in accordance with any relevant lease or nominations agreements

13 Tangible Fixed Assets – Other

GROUP

| | Freehold offices | Furniture, fixtures and fittings | Computer hardware | Plant, equipment and vehicles | Community alarm equipment | Total |
|-------------------------|---------------------|---|----------------------|--|---------------------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | |
| At 1 April 2024 | 4,067 | 1,820 | 1,487 | 2,310 | 398 | 10,082 |
| Additions | - | - | 201 | 968 | 169 | 1,338 |
| Disposals | - | (19) | (37) | (209) | - | (265) |
| At 31 March 2025 | 4,067 | 1,801 | 1,651 | 3,069 | 567 | 11,155 |
| Depreciation | | | | | | |
| At 1 April 2024 | (789) | (1,491) | (1,284) | (1,287) | (97) | (4,948) |
| Charged in year | (96) | (101) | (102) | (484) | (70) | (853) |
| Disposals | - | - | - | 208 | - | 208 |
| At 31 March 2025 | (885) | (1,592) | (1,386) | (1,563) | (167) | (5,593) |
| Net book value | | | | | | |
| At 31 March 2025 | 3,182 | 209 | 265 | 1,506 | 400 | 5,562 |
| At 31 March 2024 | 3,278 | 329 | 203 | 1,023 | 301 | 5,134 |

COMPANY

| | Freehold offices | Furniture , fixtures and fittings | Computers hardware | Plant, equipment and vehicles | Community alarm equipment | Total |
|-------------------------|-----------------------------|--|-------------------------------|--|--|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | |
| At 1 April 2024 | 4,067 | 1,815 | 1,487 | 2,004 | 398 | 9,771 |
| Additions | - | - | 201 | 806 | 169 | 1,176 |
| Disposals | - | (19) | (37) | - | - | (56) |
| At 31 March 2025 | 4,067 | 1,796 | 1,651 | 2,810 | 567 | 10,891 |
| Depreciation | | | | | | |
| At 1 April 2024 | (789) | (1,486) | (1,284) | (1,010) | (97) | (4,666) |
| Charged in period | (96) | (101) | (102) | (443) | (70) | (812) |
| At 31 March 2025 | (885) | (1,587) | (1,386) | (1,453) | (167) | (5,478) |
| Net book value | | | | | | |
| At 31 March 2025 | 3,182 | 209 | 265 | 1,357 | 400 | 5,413 |
| At 31 March 2024 | 3,278 | 329 | 203 | 994 | 301 | 5,105 |

14 Investments

| | GROUP | | COMPANY | |
|--|---------------|---------------|----------------|----------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Ordinary shares of £1 each – Coastline Services Limited | - | - | 75,000 | 75,000 |
| Ordinary shares £1 each – Coastline Design and Build Limited | - | - | 1 | 1 |
| Ordinary shares £1 each – Coastline Care Limited | - | - | 1 | 1 |
| Ordinary shares £1 each – Coastline Homes Limited | - | - | 100 | 100 |
| Ordinary shares £312.50 each - Go Collaborate Limited | 25,000 | 25,000 | 25,000 | 25,000 |
| | 25,000 | 25,000 | 100,102 | 100,102 |

The Company holds 100% of the share capital of Coastline Services Limited. Coastline Services Limited is a company incorporated in England and Wales (Company number 05558027). The principal activity of the company is the provision of maintenance and technical services, primarily in respect of affordable housing. Coastline Services Limited has agreements with Coastline Housing Limited for the provision of responsive and void maintenance as well as various planned investment works to existing properties. The accounts of Coastline Services Limited are available to the public and may be obtained from its registered office at Coastline House, 4 Barncoose Gateway Park, Pool, Redruth, Cornwall TR15 3RQ.

The Company holds 100% of the share capital in Coastline Design and Build Limited, which was incorporated on the 3 June 2015. Coastline Design and Build Limited is a company incorporated in England and Wales (Company number 09622238). The principal activities of the company are that of a commercial design and build contractor for new builds whose principal client is CHL. The accounts of Coastline Design and Build Limited are available to the public and may be obtained from its registered office at Coastline House, 4 Barncoose Gateway Park, Pool, Redruth, Cornwall TR15 3RQ.

The Company holds 100% of the share capital in Coastline Care Limited. Coastline Care Limited is a company incorporated in England and Wales (Company number 06665734). The company has been dormant since 1 April 2015. The accounts of Coastline Care Limited are available to the public and may be obtained from its registered office at Coastline House, 4 Barncoose Gateway Park, Pool, Redruth, Cornwall TR15 3RQ.

The Company holds 100% of the share capital of Coastline Homes Limited. Coastline Homes Limited is a company incorporated in England and Wales (Company number 10957677). The principal activities of the company is the design, construction and sale of residential housing. The accounts of Coastline Homes Limited are available to the public and may be obtained from its registered office at Coastline House, 4 Barncoose Gateway Park, Pool, Redruth, Cornwall TR15 3RQ. Coastline Homes Limited, registered company number 10957677, is exempt from audit under s.479A of the Companies Act. Coastline Housing Ltd, as parent company, have provided parental guarantee of all of the outstanding liabilities to which Coastline Homes is subject to as at 31 March 2025, until they are satisfied in full, and the guarantee is enforceable against Coastline Housing Limited by any person to whom Coastline Homes is liable in respect of those liabilities.

The Company holds 1.68% of the share capital of GoCollaborate Limited. GoCollaborate Limited is a company incorporated in England and Wales (Company number 12915479). The principal activities of the company is to provide an accessible and more engaging consultation platform on community projects and developments. More information and access to the accounts of GoCollaborate Limited can be obtained from its registered office at 1a Lower East Street, St Columb, Cornwall TR9 6AX.

15 Debtors

| | GROUP | | COMPANY | |
|--|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Due within one year: | | | | |
| Current tenants | 444 | 413 | 444 | 413 |
| Former tenants | 298 | 286 | 298 | 286 |
| Less provision for bad and doubtful debts | (436) | (603) | (436) | (603) |
| Total rent and service charges receivable | 306 | 96 | 306 | 96 |
| Trade debtors | 97 | 85 | - | - |
| Taxation and social security | 12 | 51 | - | 25 |
| Other debtors | 5,923 | 4,228 | 5,920 | 4,228 |
| Less provision for bad and doubtful debts | (206) | (360) | (206) | (360) |
| Prepayments and accrued income | 1,963 | 635 | 1,963 | 625 |
| | 8,095 | 4,735 | 7,983 | 4,614 |

16 Stock

| | GROUP | | COMPANY | |
|---------------------------------|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Shared ownership first tranches | | | | |
| - Completed | 2,947 | 4,445 | 2,947 | 4,445 |
| - Work in progress | 3,779 | 6,029 | 3,779 | 6,029 |
| Outright sale properties | | | | |
| - Completed | 437 | 1,373 | 437 | 1,373 |
| - Work in progress | - | - | - | - |
| Work in progress | 367 | 863 | - | - |
| | 7,530 | 12,710 | 7,163 | 11,847 |

17 Cash and Cash Equivalents

| | GROUP | | COMPANY | |
|---|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Cash at bank and in hand | 12,158 | 5,661 | 10,956 | 4,573 |
| Cash and cash equivalents per cash flow statement | 12,158 | 5,661 | 10,956 | 4,573 |

There were no significant non-cash transactions in the year. There are no restrictions on cash and cash equivalents held.

18 Creditors: amounts falling due within one year

| | GROUP | | COMPANY | |
|---|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Trade creditors | 4,642 | 3,156 | 2,353 | 1,839 |
| Rent, service and other charges received in advance | 1,176 | 983 | 1,176 | 983 |
| Taxation and social security | 24 | 198 | 22 | 196 |
| Accruals and deferred income | 8,568 | 10,777 | 4,712 | 7,094 |
| Other creditors | 3,706 | 3,537 | 3,707 | 3,537 |
| Amounts due to subsidiary undertakings | - | - | 5,011 | 3,584 |
| | 18,116 | 18,651 | 16,981 | 17,233 |

Amounts due to subsidiary undertakings are trading balances repayable on demand and non-interest bearing.

As at 31 March 2025, we are holding a balance of £43,998 on behalf of Homes for Cornwall, an initiative currently in the process of seeking charitable registration. These funds are held in trust and are not included within our unrestricted reserves. We are acting as a custodian for these monies, supporting the development of Homes for Cornwall's future charitable activities. The funds will be transferred once the organisation achieves registered charity status and appropriate governance arrangements are in place.

19 Creditors: amounts falling due after more than one year

GROUP and COMPANY

| | 2025 £'000 | 2024 £'000 |
|------------------------------|----------------|---------------|
| Bank loans | 175,136 | 165,637 |
| Bond Discount | (1,671) | - |
| Bond Premium | 31 | 33 |
| Private placement | 32,500 | 32,500 |
| Arrangement fees capitalised | (1,609) | (2,022) |
| | 204,387 | 196,148 |
| Deferred Capital Grant | 99,038 | 84,618 |
| Recycled Capital Grant Fund | 154 | 73 |
| | 303,579 | 280,839 |

Total additional fees of £391,000 incurred in respect of new loan facilities (2024: £269,000) were capitalised during the year. During the year £306,000 (2024: £316,000) of capitalised fees were amortised, with £498,000 (2024: £nil) of loan arranger fees written off.

The balance on Deferred Capital Grant shown above is net of amortised grant already released to the Statement of Comprehensive Income. Total Capital Grant received is £111.1 million (2024: £95.1 million).

Deferred Capital Grant Fund

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| Opening balance 1 April | 85,967 | 82,649 |
| Received in the year | 16,008 | 4,609 |
| Released to income in the year | (1,349) | (1,291) |
| To be released within one year (shown within note 18) | (1,588) | (1,349) |
| Balance as at 31 March 2025 | 99,038 | 84,618 |

Recycled Capital Grant Fund

| | 2025 | 2024 |
|---------------------------------|--------------|-------|
| | £'000 | £'000 |
| Opening balance 1 April | 73 | 306 |
| Arising in the year | 81 | 103 |
| Applied to development schemes | 0 | (336) |
| Closing balance 31 March | 154 | 73 |

20 Debt Analysis

Debt is repayable as follows

GROUP and COMPANY

| | 2025 | 2024 |
|-----------------------------------|----------------|---------|
| | £'000 | £'000 |
| Less than one year | | - |
| <i>Between two and five years</i> | 32,500 | 48,500 |
| <i>After five years</i> | 175,136 | 149,636 |
| | 207,636 | 198,136 |

Borrowing Facilities

The Group and Company has undrawn committed borrowing facilities. Undrawn facilities available at 31 March 2025 were as follows:

GROUP and COMPANY

| | 2025 | 2024 |
|-------------------------------------|---------------|--------|
| | £'000 | £'000 |
| Expiring in less than two years | | - |
| Expiring between two and five years | 45,032 | 52,032 |
| Expiring in more than five years | | - |
| | 45,032 | 52,032 |

The main bank loans are secured by fixed charges upon a defined subset of the Company's lettable properties.

Financial Liabilities

The interest rate profile of the Group and Company's financial liabilities as at 31 March 2025 was:

GROUP and COMPANY

| | 2025 | 2024 |
|---------------|-----------------|---------|
| | £'000 | £'000 |
| Floating rate | (20,000) | 2,500 |
| Fixed rate | 227,636 | 195,636 |
| | 207,636 | 198,136 |

The weighted average period for which interest rates were fixed was 21 Years (2024: 17 years), and the weighted average fixed interest rate was 4.06% (2024: 3.90%) including margins.

The fixed rate loans are for terms maturing between three years and 28 years at interest rates ranging from 1.00% to 7.10% including margins.

The negative floating rate debt shown above is as a result of the retention of £40 million ISDA trades as part of an agreed Finance Strategy which utilised these as an effective forward rate fix in relation to forecast development expenditure and the related increased debt.

21 Non-equity Share Capital

The Company is limited by guarantee.

22 Financial Commitments

Capital expenditure commitments are as follows:

GROUP and COMPANY

| | 2025 | 2024 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Expenditure contracted for but not provided in the accounts | 30,729 | 28,213 |
| Expenditure authorised by the Board but not contracted | 33,876 | 34,593 |

Of the £64.6 million of capital commitments at 31 March 2025, £23.0 million (2024: £23.3 million) will be funded by grant and other public finance. The remainder will be fully funded through existing loan facilities and cash balances. All contracted expenditure can be met within existing funding arrangements.

Operating Leases

At 31 March 2024 Group and Company future minimum lease payments payable under non-cancellable operating leases are as follows:

| | GROUP | | COMPANY | |
|---|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Land and buildings, leases expiring | | | | |
| Within one year | 38 | 36 | - | - |
| In two to five years | 156 | 6 | - | - |
| | 194 | 42 | - | - |
| Vehicles, plant and equipment, leases expiring | | | | |
| Within one year | 19 | 21 | - | - |
| In two to five years | 5 | 18 | - | - |
| | 24 | 39 | - | - |

23 Pension Liabilities

| GROUP and COMPANY | 2025 £'000 | 2024 £'000 |
|--|---------------|---------------|
| Social Housing Pension Scheme (SHPS) (see note 24) | 828 | 1,461 |
| Coastline Pensioners | 66 | 78 |
| | 894 | 1,539 |

The 'Coastline Pensioners' are historical retirees who by virtue of agreements following restructuring post stock transfer in 1998, are paid an inflating pension until they die. These pensions are increased annually in accordance with local government pension scheme rules. Payments during the year to these pensioners were £10,200 (2024: £9,800). The carrying value of the liability of £66,000 (2024: £78,000) represents the discounted value of expected future payments discounted at 5.94% (2024: 4.93%).

24 Pensions

Defined contribution scheme

Employees have the option to join Coastline Housing's defined contribution scheme, to which the Group makes a contribution of up to 8.3% of basic salary. Contributions are charged to operating surplus in the year in which they become payable.

The Group and Company participated in one pension scheme:

(1) Social Housing Pension Scheme (SHPS): Defined Benefit Pension Scheme

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

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

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

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive.

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

Coastline were notified in 2021 by the Trustees of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, this process is ongoing with the Court's determination expected no earlier than Summer 2025. It is estimated that this could potentially increase the value of the full scheme liabilities by £155 million. Coastline note that this estimate has been calculated as at 30 September 2021 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

Coastline are also aware of the potential implications of the Virgin Media ruling in June 2023 alongside the further uncertainties in this area (which may be addressed in upcoming cases this year and beyond) which makes it difficult to reach a full conclusion on this issue at this time. There are no fundamental doubts at this stage, as such there is insufficient evidence that any adjustment would need to be recognised within the year end liabilities at this stage and therefore no allowance has been made.

a) Main actuarial assumptions used for the purposes of FRS 102:

| | 31 March 2025 | 31 March 2024 |
|---|--------------------------|--------------------------|
| | % per annum | % per annum |
| Discount Rate | 5.94% | 4.93% |
| Inflation (RPI) | 3.04% | 3.08% |
| Inflation (CPI) | 2.80% | 2.79% |
| Salary Growth | 3.80% | 3.79% |
| Allowance for commutation of pension for cash at retirement | 75% of maximum allowance | 75% of maximum allowance |

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

| | Life expectancy at age 65 (Years) | Life expectancy at age 65 (Years) |
|-------------------------|--|--|
| | 31 March 2025 | 31 March 2024 |
| Male retiring in 2025 | 20.5 | 20.5 |
| Female retiring in 2025 | 23.0 | 23.0 |
| Male retiring in 2045 | 21.7 | 21.8 |
| Female retiring in 2045 | 24.5 | 24.4 |

b) Scheme assets:

| | 31 March 2025 | 31 March 2024 |
|-------------------------------|----------------------|----------------------|
| | £'000 | £'000 |
| Global Equity | 675 | 620 |
| Absolute Return | - | 243 |
| Distressed Opportunities | - | 219 |
| Credit Relative Value | - | 204 |
| Alternative Risk Premia | - | 197 |
| Liquid Alternatives | 1,117 | - |
| Emerging Markets Debt | - | 80 |
| Risk Sharing | - | 364 |
| Insurance-Linked Securities | 19 | 32 |
| Property | 302 | 250 |
| Infrastructure | 1 | 628 |
| Private Equity | 5 | 5 |
| Real Assets | 721 | - |
| Real Debt | - | 245 |
| Opportunistic Illiquid Credit | - | 243 |
| Private Credit | 737 | - |
| Credit | 230 | - |
| Investment Grade Credit | 186 | - |
| High Yield | - | 1 |
| Cash | 82 | 123 |
| Long Lease Property | 2 | 40 |
| Secured Income | 101 | 186 |
| Liability Driven Investment | 1,825 | 2,530 |
| Currency Hedging | 10 | (2) |
| Net Current Assets | 13 | 11 |
| Total assets | 6,026 | 6,219 |

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

c) The following amounts were measured in accordance with the requirements of FRS 102:

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

| | 31 March 2025 | 31 March 2024 |
|--|----------------------|----------------------|
| | £'000 | £'000 |
| Fair value of plan assets | 6,026 | 6,219 |
| Present value of defined benefit obligation | 6,834 | 7,680 |
| Surplus (deficit) in plan | (828) | (1,461) |
| Unrecognised surplus | - | - |
| Defined benefit asset (liability) to be recognised | (828) | (1,461) |

d) Analysis of amount charged to operating profit in the period:

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

| | Period from 31 March 2024 to 31 March 2025 | Period from 31 March 2023 to 31 March 2024 |
|--|---|---|
| | £'000 | £'000 |
| Current service cost | - | - |
| Expenses | 11 | 11 |
| Net interest expense | 63 | 54 |
| Losses (gains) on business combinations | - | - |
| Losses (gains) on settlements | - | - |
| Losses (gains) on curtailments | - | - |
| Losses (gains) due to benefit changes | - | - |
| Defined benefit costs recognised in statement of comprehensive income (SoCl) | 74 | 65 |

Defined benefit costs recognised in other comprehensive income:

| | Period ended | Period ended |
|---|----------------------|---------------|
| | 31 March 2024 | 31 March 2024 |
| | £'000 | £'000 |
| Experience on plan assets (excluding amounts included in net interest cost) - gain (loss) | (698) | (740) |
| Experience gains and losses arising on the plan liabilities - gain (loss) | (251) | 16 |
| Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss) | - | 71 |
| Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss) | 1,260 | 192 |
| Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss) | 311 | (461) |
| Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss) | - | - |
| Total amount recognised in other comprehensive income - gain (loss) | 311 | (461) |

e) Movement in deficit during the period:

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

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|--|---|-------------------------------|
| | £'000 | £'000 |
| Defined benefit obligation at start of period | 7,680 | 7,672 |
| Current service cost | - | - |
| Expenses | 11 | 11 |
| Interest expense | 374 | 369 |
| Contributions by plan participants | - | - |
| Actuarial losses (gains) due to scheme experience | 251 | (16) |
| Actuarial losses (gains) due to changes in demographic assumptions | - | (71) |
| Actuarial losses (gains) due to changes in financial assumptions | (1,280) | (192) |
| Benefits paid and expenses | (202) | (93) |
| Liabilities acquired in a business combination | - | - |
| Liabilities extinguished on settlements | - | - |
| Losses (gains) on curtailments | - | - |
| Losses (gains) due to benefit changes | - | - |
| Exchange rate changes | - | - |
| Defined benefit obligation at end of period | 6,834 | 7,680 |

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

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|---|---|-------------------------------|
| | £'000 | £'000 |
| Fair value of plan assets at start of period | 6,219 | 6,362 |
| Interest income | 311 | 315 |
| Experience on plan assets (excluding amounts included in interest income) - gain (loss) | (698) | (740) |
| Contributions by the employer | 396 | 375 |
| Contributions by plan participants | - | - |
| Benefits paid and expenses | (202) | (93) |
| Assets acquired in a business combination | - | - |
| Assets distributed on settlements | - | - |
| Exchange rate changes | - | - |
| Fair value of plan assets at end of period | 6,026 | 6,219 |

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£387,000) (2024: (£425,000))

25 Related Parties

Non-Executive Directors

One Non-Executive Director who served during the year (2024: one) has a standard tenancy agreement and is required to fulfil the same obligations and receive the same benefit as other Customers. There are no rental arrears to report as at year-end (2024: £nil).

Subsidiary companies

Coastline Housing (CHL) has subsidiaries which are not regulated by the Regulator of Social Housing: Coastline Services Limited (CSL); Coastline Care Limited (CCL); Coastline Design and Build Limited (CDB); and Coastline Homes Limited (CHM) (see note 28).

CSL's main business is the provision of building, maintenance and technical management services, which includes property and grounds maintenance work undertaken for CHL. The total value of work undertaken by CSL on behalf of CHL during the year was £8,995,707 (2024: £7,024,232). This is removed on consolidation in the Group financial statements. The total balance due to CSL from CHL at 31 March 2025 was £71,328 (2024: £nil).

CCL was Dormant throughout the period to 31 March 2025 (2024: Dormant).

CDB's main business is that of a commercial design and build contractor for new builds whose principal client is CHL. The total value of work undertaken by CDB on behalf of CHL during the year was £27,852,267 (2024: £34,564,785). This is removed on consolidation in the Group financial statements. The total balance due to CHL from CDB at 31 March 2025 was £345 (2024: £345).

CHM's main business is the delivery of a wider range of housing options including an element of open market housing for sale where it forms part of wider development schemes that the Group is undertaking. The company commenced trading during the year ended 31 March 2019.

Coastline Housing provides certain administrative functions for the other Group companies, including financial, human resources and IT. These are recharged on the most appropriate basis, either on head count or on floor area of office space occupied.

All transactions with Group companies are on an arm's-length basis and on commercial terms.

26 Tax on Surplus on Ordinary Activities

Total tax expense recognised in the statement of comprehensive income, other comprehensive income and equity:

| | GROUP | | COMPANY | |
|---|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Current tax: | | | | |
| UK Corporation tax on profits for the year at 25% (2024: 25%) | - | - | - | - |
| Adjustments in respect of previous periods | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | - | - | - |
| Deferred tax: | | | | |
| Origination and reversal of timing differences | - | - | - | - |
| Adjustments in prior periods | - | - | - | - |
| Effect of tax rate change on opening balance | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Tax on profit of ordinary activities | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |

A UK corporation tax rate of 25% (effective 1 April 2023) was substantively enacted from April 2023 and reversing the previously enacted rate of 19% .

This will increase the company's future tax charge accordingly. Deferred tax has been calculated at 25% (2024: 25%).

Factors affecting the tax charge for the current year:

The current tax of £nil (2024: £nil) for the year is lower (2024: lower) than the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

| | GROUP | | COMPANY | |
|--|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Current tax reconciliation | | | | |
| Profit on ordinary activities before gift aid and taxation | 7,999 | 7,339 | - | - |
| Current tax at 25% (2024: 25%) | 2,000 | 1,394 | - | - |
| Income not taxable in determining taxable surplus | (2,000) | (1,385) | - | - |
| Effect of gift aid | - | (9) | - | - |
| Effect of tax change in previous period | - | - | - | - |
| Deferred tax not recognised | - | - | - | - |
| Effect of deferred tax in previous periods | - | - | - | - |
| Effect of tax rate on opening deferred tax balance | - | - | - | - |
| Losses carried forward | - | - | - | - |
| Total current tax (credit) / charge (see above) | - | - | - | - |

27 Provision for Liabilities

Deferred tax

| | GROUP | |
|----------------------------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 |
| At 1 April | - | - |
| (Released)/ charged in the year | - | - |
| Change in underlying rate of tax | - | - |
| At 31 March | - | - |
| Comprising: | | |
| Accelerated capital allowances | - | - |

The deferred tax liability at 31 March 2025 has been calculated based on the rate of 25%.

28 Group Members

Coastline Housing Limited is the parent undertaking and has four subsidiaries being Coastline Services Limited; Coastline Care Limited; Coastline Design and Build Limited; and Coastline Homes Limited (see note 14).

29 Legislative Provision

The Company is a company limited by guarantee and is registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008. The registered provider number for Coastline Housing Limited is LH4165.

The Company is also a registered charity (registration charity no. 1066916).

30 Accounting Estimates and Judgements

Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives of the assets so these are re-assessed annually and amended when necessary to reflect current estimates. See note 13 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

Impairment of debtors

The Group makes an estimate for the recoverable value of rental arrears, trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

Pensions

FRS 102 requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations and pension plan assets, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected inflation rates, employee turnover, expected return on plan assets and discount rates. Substantial changes in the assumed development of any one of these variables may significantly change the Group's retirement benefit obligation and pension assets.

Valuation of housing properties

Coastline Housing tests annually whether there are any impairment triggers that would require the Group to undertake a full impairment review of housing properties under FRS 102. There have been no impairment recognised during the year ended 31 March 2025.

The recoverable value is assessed as the higher of fair value or value in use. The SORP considers depreciated replacement cost as a reasonable estimate for value in use taking into consideration the service potential of social housing. The valuation of housing properties at the year-end have therefore been assessed using depreciated replacement cost. These calculations require the use of assumptions and estimates, in particular in relation to the identification of cash generating units, expected replacement cost and the service potential of the asset.

Recoverability of stock and WIP

Completed properties and properties under construction for open market sales are recognised at the lower of cost and net realisable value. Assessing net realisable value requires the use of estimation techniques. In making this assessment, management considers publicly available information and internal forecasts on future sales activity. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Critical accounting judgements in applying the Group's accounting policies

There are no such judgements in either the current or prior year.