

river clyde homes

REPORT AND FINANCIAL STATEMENT

For the year ended 31 March 2026

River Clyde Homes:

Company Number: SC329031

Charity Number: SC038584

Property Factor Registration Number: PF000152
Scottish Housing Regulator Registered Number: 362

RCH GROUP

river clyde homes

Home Fix SCOTLAND

River Clyde Homes and Subsidiary
Report and Financial Statements
For the year ended 31 March 2026

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Registration Particulars:

Register of Companies

Companies Act 2006

Registered Number: SC329031

Registered Number (subsidiary): SC328870

Principal Office and Registered Address:

Clydeview, 22 Pottery Street, Greenock PA15 2UZ

River Clyde Homes and Subsidiary

Management Committee, Executives and Advisers for the year ended 31 March 2026

Management Committee

The strategic leadership of River Clyde Homes ("the Company") is provided by a Board which is supported by a Chief Executive and three Directors (together, The Executive Leadership Team). The full list of Board members who held office during the year are as follows:

Name	Date of Appointment / Resignation
John Quinn (Chair)	24 September 2020
Gillian McLees (Vice Chair)	24 September 2020
Stephen Black	20 September 2022 / 23 September 2025
Ellis Barilli (Tenant)	28 September 2021
Vera Karaba (Tenant)	26 September 2023
Heike Noack (Tenant)	28 September 2021 / 20 February 2026
Elizabeth Taylor	31 March 2023
Cllr Graeme Brooks	26 May 2022
Graham Wallace	24 September 2024
Charles Thompson	27 November 2020
Antony Barrie	04 February 2025
Cllr Francesca Brennan	28 February 2025
David Fisher	26 May 2026

All resignations and appointments from 31st March 2026 to the date of signing of the accounts are also included above.

The composition of the Board reflects the requirements of the Housing Amendment (Scotland) Act 2018.

All tenancies for the above tenant members of the River Clyde Homes' Board are on Scottish Secure Tenancy Agreements in terms of the Housing (Scotland) Act 2010 and these members cannot use their position on the Board to their advantage. Any transactions with Inverclyde Council are made at arm's length, on normal commercial terms, and the Board members who are also councillors cannot use their position on the Board to their or the Council's advantage.

The Company is limited by guarantee and does not have any share capital. The liability of Board members is limited to £1 each. The executive officers of the Company hold no interest in the Company's share capital and although not having the legal status of "Director" they act as executives within the authority delegated by the Board. It is the responsibility of the Board to approve the vision, business plan and priorities of the Company. They also monitor the operational activities of the Company. The Board is accountable to the wider membership and as at 31 March 2026, River Clyde Homes had 41 members. The Chair of the Board is a paid role.

River Clyde Homes and Subsidiary

Management Committee, Executives and Advisers for the year ended 31 March 2026

Executives

The executive officers of the Group during the year to 31 March 2026 were as follows:

Position	Name
Chief Executive	Richard Turnock
Director, Group Services	Aileen Metcalfe
Director, Customer Services	Stevie McLachlan
Director, Property Services	Andrew Kubski
Managing Director, Home Fix Scotland	Derek Ferguson

The executive officers are responsible for achieving the vision, strategic outcomes, priorities and plans of the Board confirmed in its business plan; they also ensure high standards of professionalism, performance and ambition in their work.

The Board of Home Fix Scotland Limited ("HFS"), a wholly owned subsidiary of River Clyde Homes, consists of eight members. The full list of Board members during the period to 31 March 2026 is as follows:

Position	Name	Date of Appointment / Resignation
Director/Chair	Elizabeth Taylor	8 December 2020 / Appointed Chair 31 March 2023
Director	John Quinn	29 September 2023
Director	Paul McDevitt	10 March 2019
Director	Lilian Peters	24 October 2022
Director	Malcolm MacLeod	24 October 2022
Director	Derek Ferguson	8 December 2020
Director	Sue Bomphray	Appointed 4 February 2025
Director	John Dalrymple	Appointed 4 February 2025 / 16 June 2025
Director	Steven Shaw	Appointed 4 February 2025

The River Clyde Homes Board oversees the activities of Home Fix Scotland Limited within the Group Business Plan.

Advisers

The key advisers of the Company during the year ended 31 March 2025 were as follows:

Bankers

Royal Bank of Scotland
110 Queen Street
Glasgow G1 3BX

Nationwide Building Society
Kings Park Road
Northampton NN3 6NW

Solicitors

Harper Macleod LLP
45 Queen Street
Glasgow G1 3PE

Auditors

RSM UK Audit LLP
4th Floor, G1, 5 George Square
Glasgow, G2 1DY

TIAA Ltd
Fort Fareham
Fareham, PO14 1AH

River Clyde Homes and Subsidiary

Report of the Management Commitee for the year ended 31 March 2026

Introduction

The Board presents its Annual Report together with the audited financial statements for the year ended 31 March 2026. This report incorporates the financial statements of the Company's wholly owned subsidiary, HFS.

Principal Activities

The principal activity of the Company is the provision of social housing throughout Inverclyde. Employing over 250 staff, the business owns and manages 6,094 homes and provides factoring services to a further 2,155 homes. The principal activity of HFS is to carry out certain works and services on behalf of the Company. In addition to utilising the services of certain trade staff seconded from RCH, HFS employ a specialist team of 112 staff (including 65 specialist trade operatives) to deliver works.

Vision and Values

The Company has established a clear value base, identity and purpose to ensure that the wider community, staff and other stakeholders are aware of what the business stands for.

Our purpose and values:
Improving Lives and Places



Every
Customer Happy

Every
Home Loved

Every
Opportunity Taken

Every
Penny Counts

Every
Person Positive

Employees with disabilities

Applications for employment from people with disabilities are given full and fair consideration for all vacancies, in accordance with their individual aptitudes and abilities. Disabled applicants who meet the essential criteria for a role are guaranteed an interview.

Where an employee becomes disabled during their employment, every reasonable effort will be made to support their retention and enable their continued employment within the Company.

The Company is committed to ensuring that training, career development, and promotion opportunities are accessible to all employees.

Employee Information

The Company engages with employees through regular Directorate meetings, providing Directors and/or the CEO with opportunities to discuss matters of importance and relevance. In addition, the Staff and Young Person Forum ensure that employee voices are represented within the organisation.

The Joint Consultation Forum further supports engagement by involving external parties, including Trade Unions, in discussions, ensuring that employee interests and concerns are appropriately considered.

Health and Safety

The Company employs a Health and Safety Manager supported by officers and has Health and Safety staff forums for RCH and HFS. In addition to this, there is a Health and Safety Management Committee comprised of Executive Leadership Team members and there are regular meetings with Health and Safety Board Champions. These meetings are attended by senior representatives from across the Group.

The Company continues to take a proactive approach to delivering an effective Safety Management System to continue to meet its Health and Safety obligations.

Investment in our Young People

The Company is delighted to have retained its Platinum Investors in Young People good practice award, remaining one of only a small number of organisations in Scotland to both achieve and sustain this prestigious accreditation.

As part of a rigorous assessment process, over 20 young people and their line managers from across the organisation were interviewed, sharing their career pathways and experiences within the Company. Feedback highlighted the Company's ongoing commitment to attracting, recruiting, supporting, developing, and retaining young talent.

As a Platinum employer, the Company was recognised for its strong engagement with education providers and youth employment partners. This collaborative approach has led to measurable improvements in learning experiences and employment opportunities for young people.

More recently, the Company hosted an Open Doors Event in celebration of Scottish Apprenticeship Week, welcoming local young people and employability partners to learn more about the organisation's opportunities. This event supported the launch of the 2026 Apprenticeship Programme, which includes:

- 4 Modern Apprenticeship positions
- 4 Trade Apprenticeship positions

Credit Payment Policy

The Company's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is 28 days.

Business Engagement

The Directors recognise the need to foster business relationships with suppliers and customer alike to provide benefits to local communities, this is driven by the Company's engagement with Inverclyde Council and other strategic parties in Inverclyde.

Going Concern

The Board has appraised the results for this year and has reviewed the 30-year Financial Plan, including annual and 5-year budgets and forecasts. A number of sensitivities have been performed to test the base assumptions in the five-year plan. These show that even in a severe but plausible trading position the Company's cash position remains positive and within the covenants agreed with lenders. The review process includes an assessment of the wholly owned subsidiary HFS, including expected work programmes. On this basis, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements.

Statement by the Directors in performance of their statutory duties in accordance with section 172 of the Companies Act 2006

The Directors acknowledge and understand their duties and responsibilities, including that of section 172, of the Companies Act 2006. A Director of a Company must act in the way he or she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

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

REPORT OF THE BOARD
FOR THE YEAR ENDED 31 MARCH 2026

The Board recognises that the long-term success of the business is dependent on the way we interact with a large number of important stakeholders including our Colleagues, Clients and Members. The Directors have had regard to the interest of our stakeholders while complying with their obligations to promote the ongoing success of the business in line with the section 172 of the Companies Act. This is evidenced throughout our Report of the Board and Strategic Report, as well as through our engagement with our tenants, staff, Scottish Housing Regulator, Inverclyde Council, Scottish Government, and Lenders.

Ahead of all Board meetings the Directors are supplied with Board papers that highlight relevant stakeholder considerations along with performance metrics and ongoing forecasts. The Board's decision making considers both risk and reward in the pursuit of delivering long term value to our stakeholders and acknowledging and understanding the current and potential risks to the business, both financial and non-financial, are fundamental to how we manage the business.

The Directors, both individually and collectively as a Board consider the decisions taken during the year ended 31st March 2026 were in conformance to their duty under section 172 of the Companies Act.

Information for auditors

As far as the Board members are aware at the date of approval of these financial statements there is no relevant audit information of which the auditors are unaware and the Board members have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of any such information.

Auditors

The auditors, RSM UK audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Signed on behalf of the Board:



JOHN QUINN

on: 19/08/26

Financial Highlights

Statement of Comprehensive Income

Group Turnover of £39.9 million (2025: £34.8 million) relates mainly to the income from the letting of properties which accounts for £38.8 million (2025: £33.9 million) of this total. The balance of income of £1.1 million (2025: £0.9 million) relates to support activities, Homefact and Cycle Scotland fund.

Total Operating Expenditure was £34.1 million (2025: £28.6 million), consisting of:

- Management and maintenance admin costs £16.6 million (2025: £12.9 million)
- Planned and cyclical maintenance £2.9 million (2025: £2.5 million) (major repairs expenditure capitalised is detailed in note 3 on page 39)
- Reactive maintenance costs £3.8 million (2025: £2.9 million)
- Other costs £10.8 million (2025: £9.1 million)

The operating surplus for the year ended 31 March 2026 was £5.8 million (2025: £6.2 million) and the deficit on ordinary activities before actuarial adjustments on pension scheme was £4.3 million (2025: £1.9 million). The operating surplus was adversely impacted due to one-off pension costs of £4.3 million following closure of the Company's defined benefit pension scheme with Strathclyde Pension Fund on 31st October 2025. Without this charge, the net surplus would have been £10.1 million.

Statement of Financial Position

Total net assets for the group at the year-end amounted to £29.3 million (2025: £7.6 million). The key asset categories include:

- Housing property £254.8 million (2025: £252.3 million)
- Rent debtors (gross) £2.5 million (2025: £2.4 million)
- Cash deposits £3.6 million (2025: £1.0 million

The housing stock was transferred to the Company at nil value. The net book value of the housing properties held for letting or construction is £254.8 million (2025: £252.3 million).

Offsetting the rental debtor of £2.5 million (2025: £2.4 million) is a bad debt provision of £1.8 million (2025: £1.6 million). This provision relates to current and former arrears.

The key liabilities include:

- Total deferred grant £99.6 million (2025: £100.4 million)
- Total loans £126.7 million (2025: £143.0 million)

The deferred grant relates to Scottish Government grants in respect of SHQS works, New Build projects and Aids and Adaptations development. £1.6 million (2025: £1.6 million) of the deferred grant is due within one year; the balance of £98.0 million (2025: £98.8 million) is due after more than one year.

Statement of Cash Flows

The net cash inflow from operating activities was £38.8 million (2025: £12.6 million). A further £24.3 million outflow (2025: £3.6 million outflow) was generated from financing activities. Net cash outflow from investing activities totalled £11.9 million (2025: £16.1 million).

Financing and Treasury Management

The housing properties are financed principally by a combination of housing association grant, bank borrowings and cash generated from trading surpluses. Bank borrowing facilities comprise a mixture of fixed rate and short term floating rate loans.

The Company, as a matter of policy, does not enter into transactions of a speculative nature.

To support the delivery of the five-year business plan 'Our Journey to 2027', the Company has a total loan facility of £155 million. The funding package comprises £117 million from Royal Bank of Scotland and £38 million from Nationwide Building Society. This fund will be used to raise living standards in the affordable housing market, with a focus on the sustainability and energy efficiency of existing properties, in support of the Scottish journey to net zero and in recognition of the current rising cost of living. Our Treasury strategy is aided by ALLIA C&C, who act as our Treasury Advisers.

As at 31st March 2026 the Company had drawn down £126.6 million of loans. This comprised of £83.2 million of borrowing at a fixed interest rate and £43.4 million at a SONIA interest rate.

The Company has a regime in place whereby sufficient cash is held to meet its immediate obligations. During the financial year, this approach minimised the additional borrowing required. The amount of additional borrowing which was drawn down from the agreed facility was utilised to ensure progress on the investment programme.

Risk Management

Management adopts a robust risk management approach which identifies and records the risks facing the Company and the action plan by which risks are managed. The Top Five Strategic Risks facing the Company are shown in the table below.

Risk Description
Non-compliance with current and future Health and Safety legislation/regulation
Failure to effectively manage our assets and deliver a competitive housing and factoring offer
Ineffective control of subsidiary governance, development, growth and performance
Failure to ensure financial viability of RCH Group
Failure to address fuel poverty, deliver affordable warmth and decarbonise our homes

Strategic Risk is subject to thorough assessment by senior management and governance via the Audit & Risk Committee and Board. The Strategic Risk Register is reviewed at each Audit & Risk Committee meeting, with focus given to any changes in mitigating actions and/or changes to any risk scoring. There is a Risk Management Policy in place which ensures a consistent approach towards risk management across the Company and provides guidance for recognising, analysing and mitigating risk. This Policy aligns with regulatory requirements and best practice.

Planning for the future

The assumptions underpinning all business plans (including the five-year plan, thirty-year business plan and financial plan) are reviewed and validated on an annual basis. All financial plans are subject to appropriate stress testing and sensitivity analysis. The financial projections confirm that there are adequate financial resources available to deliver the objectives of the business plan.

One core assumption includes the spending requirement associated with the Asset Management Strategy.

The funding package approved with our lenders enables delivery of the following: -

- Investment and capital spend will be £64 million over the next five years, with approximately £110 million spend over the next decade.
- An investment programme that will seek to meet the requirements of the Energy Efficiency Standard for Social Housing (EESSH).
- A full component replacement programme to maintain Scottish Housing Quality Standards (SHQS).

OPERATING REVIEW
CUSTOMER SERVICES

Key achievements in 2025-26

- Received £0.2 million funding to bring 12 long term empty properties back into the letting pool for Ukrainian Refugees.
- Received £0.8 million Scottish Government Grant funding for aids & adaptations to properties, with 321 adaptations completed.
- Received £0.1 million funding from Cycle Scotland for the provision of cycling shelters.
- Shortlisted for the Chartered Institute of Housing Awards 2025 in six categories.
- Over £4.0 million financial gains/benefits for the Company's tenants via our Financial Wellbeing Team.

Performance highlights

Key Performance Indicators

KPIs are formally reviewed quarterly by the Social Landlord and Operations Committee and included in the Annual Return on the Charter (ARC) to the Scottish Housing Regulator (SHR) and Customers.

OPERATING REVIEW *(Continued)*

Selected Performance Measures	2025/26	2024/25
Average length of time taken to re-let properties (days)	116	243
Rent lost due to properties becoming vacant (ARC)	2.8%	5.9%
Rent collected as a proportion of rent due	100.4%	100.7%
Gross rent arrears as a % of rent due	5.6%	5.5%
ASB cases resolved within target	94.4%	91.8%
Stage 1 complaints responded to in full	99.8%	97.1%
Stage 2 complaints responded to in full	98.4%	90.8%

Voids

Since introducing the revised void repair delivery model, we have seen a marked improvement in void performance, particularly in reducing void loss and average re-let times. Faster repair turnaround has helped us bring properties back into use more quickly, resulting in 241 new tenancies since March 2024.

Alongside this, our average time to re-let a property has fallen by 127 days, representing a 52.3% improvement. This demonstrates the positive impact of the new approach on both operational efficiency and customer outcomes.

In addition, we supported Inverclyde Council's HSCP Homelessness Service with the planned closure of the Inverclyde Centre by providing an additional 30 properties for temporary furnished flats to help deliver the new community temporary accommodation model.

Rent Arrears and Supporting Tenants

Early action and prevention have helped us achieve the rent arrears KPI. Strong partnership working between the Area Housing Teams and the Financial Wellbeing Team continues to deliver results, with ongoing referrals for benefit advice, income maximisation and budgeting support. A new Housing and Community Connector post, funded through Community Benefits, has further strengthened this approach by helping customers sustain their tenancies and prevent homelessness.

Anti-social behaviour (ASB)

ASB case resolution exceeded the 2025/26 target. During the year, 172 cases were reported and 161 resolved, with 47% categorised as serious. £0.1 million of funding supported targeted patrols, while close partnership working strengthened our response to tackling serious anti-social behaviour across our communities.

Complaints

The performance in complaints has seen further improvements in 2025/26. Complaints is an area of focus for the Company, with monthly reporting alongside weekly Complaints Clinics to ensure focus is not lost.

This will remain throughout 2026/27 as we move towards using the insight from complaints to help reduce the volume of complaints we receive and improving response to reduce escalations from stage 1 to stage 2.

PROPERTY SERVICES

Key achievements in 2025-26

Property Services delivered a substantial investment programme for 2025/26, over various works packages but with a strong emphasis on external fabric Improvements. The main areas of expenditure were roof and render works, with just under £1 million invested in our housing assets/

A UPVC door and window replacement program was also introduced in the financial year that focused on the renewal of full component replacement to properties, equating to £0.2 million in expenditure, allowing thirty-one properties to have full window and door replacements.

Internal component replacement continued with the renewal of Kitchen and Bathroom replacements to thirty properties at a cost of £0.2 million. All of these contracts were identified as part of the asset management strategy which will shape our investment programmes for the next 5 –10 years.

Finnieston Street Re-instatement Works were completed within the financial year after a long-protracted process to identify responsibility and costs for both the Company and Inverclyde Council. It was agreed that the Council would pay £0.1 million to the project, allowing the project to commence in the financial year with completion met in February 2026.

Performance highlights

Key Performance Indicators

KPIs are formally reviewed quarterly by the Social Landlord and Operations Committee and included in the Annual Return on the Charter (ARC) to the Scottish Housing Regulator (SHR) and Customers.

Selected Performance Measures	2025/26	2024/25
Average hours to complete emergency repairs	4.57	4.12
Average length of time to complete non-emergency repairs	31.32	23.25
Percentage reactive repairs completed right first time	90.5%	75.8%
Percentage of tenants satisfied with repairs	83.6%	92.2%
Number of times in the reporting year we did not meet our statutory duty to complete a gas safety check	—	—

It is noted that the length of time taken to complete repairs has further deteriorated in 2025/26, largely relating to the gradual erosion of repairs backlog. During the year, Property Services have worked closely with HFS to identify improvements either through direct delivery by HFS or with the introduction of supporting contractors for the reactive repairs service. The latter has seen Property Services introduce a secondary contractor to focus on the backlog reactive repairs but also to support HFS in the delivery of live repairs where HFS do not have the required resource levels to meet customer demands.

Asset Management Strategy

The Asset Management Strategy has given the business a clearer picture in terms what the longer-term plans are for our assets. This includes areas where the Company will invest in terms of asset Improvement, regeneration and deactivation of stock. One of the main focuses for the financial year has been a strategy for the unlettable properties within our stock. Property Services have worked with Customer Services to categorise the unlettable assets and determine the feasibility for investing. A vast amount of work has been carried out by Factoring, Customer Services and Property Services to allow Investment works to be mobilised within the Chapelton area, with funding being provided by Inverclyde Council for the owner occupiers within the area. This has made the costs for more affordable meaning more owners opting into the works that the Company are undertaking.

HOME FIX SCOTLAND (HFS)

The HFS Repairs and Maintenance service is focused on improving front line services to our customers, whilst at the same time continuing to improve its productivity performance and efficiency to deliver a value for money customer focused service. The high volume of customer emergency jobs continues to impact capability to deliver planned non-emergency works for our customers. The diversity of external repair works with high values has an impact on resource levels reducing operational capability. HFS are continuing to work with the Company to balance out the proportion of planned works and major investment works over the coming year with the use of an external contractor to pick up non-emergency works. This should support an improvement in capability to deliver better minor repairs and maintenance service.

Our planned works programme was very limited over the last year. HFS have been delivering painting and decorating works in some of the high-rise properties. There has also been a gutter cleaning program over the winter months to improve rainwater dispersal and drainage. The environmental team were able to start and progress their summer programme, completing all works in time to plan and execute on the winter programme. Additional works have been agreed and taken on this year at our new build estates.

HFS electrical compliance have delivered all Electrical Installation Condition Reports within the last 12-month period on time improving safety in customer homes. During the year there has been a focus on void property returns to increase numbers returned and to significantly reduce key to key return times, quality and cost.

Signed on behalf of the Board:



JOHN QUINN

on: 19/08/26

BOARD'S STATEMENT OF BOARD'S RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2026

Company law and registered social landlord regulation requires the Board to prepare financial statements for each financial period. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- ensure United Kingdom Accounting Standards and the Statement of Recommended Practice: "Accounting by Registered Social Housing Providers" (updated 2019) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Board is responsible for keeping proper 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 it to ensure that the financial statements comply with the Companies Act 2006, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements - February 2019. It is also responsible for taking reasonable steps to safeguard the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is also responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

BOARD'S STATEMENT ON INTERNAL FINANCIAL CONTROLS

FOR THE YEAR ENDED 31 MARCH 2026

The Board acknowledges its ultimate responsibility for ensuring that the Company has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Company, or for publication;
- the maintenance of proper accounting records; and
- the safeguarding of assets against unauthorised use or disposition.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement, loss or failure to meet objectives. Key elements of the Company's systems ensure that;

- formal policies and procedures are in place, including the on-going documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared regularly which allow the Board and staff to monitor the key business risks and financial objectives, and progress towards financial plans set for the period and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate;
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures from the Board members;
- the Group Audit and Risk Committee and Board reviews reports from Management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed, this includes a general review of the major risks facing the Company; and
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

An internal auditor has been appointed in accordance with the requirements of Guidance note 97/06. An audit plan was set and completed for the year. The results of the work confirm that the Association has satisfactory procedures for managing its finances. No weaknesses were found in the internal financial controls, which could result in material losses, contingencies, or uncertainties, which require disclosure in the financial statements, or in the auditors' report on the financial statements.

By order of the Board



JOHN QUINN

Date: 19/08/26

EXTERNAL AUDITORS REPORT ON CORPORATE GOVERNANCE MATTERS

FOR THE YEAR ENDED 31 MARCH 2026

Report by the Auditors to the Members of River Clyde Homes on Corporate Governance Matters

In addition to the audit of the financial statements, we have reviewed your statement on page 16 concerning the Association's compliance with the information required by the Regulatory Standards for Systematically important RSL's, in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements to corporate governance matters with Bulletin 2006/5 issued by the Financial Reporting Council through enquiry of certain members of the Board and Officers of the Company and examination of relevant documents. The Bulletin does not require us to review the effectiveness of the Company's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on page 16 has provided the disclosures required by the relevant Regulatory Standards for Systematically important RSL's within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

RSM UK Audit LLP Statutory Auditor
Chartered Accountants
4th Floor, G1
5 George Square
Glasgow
G2 1DY

RSM UK AUDIT LLP

Date: 20/8/26

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF RIVER CLYDE HOMES

FOR THE YEAR ENDED 31 MARCH 2026

Opinion

We have audited the financial statements of River Clyde Homes (the 'company') and its subsidiaries (the 'Group') for the year ended 31 March 2026 which comprise the Group Statement of Comprehensive Income, Company Statement of Comprehensive Income, Group Statement of Financial Position, Company Statement of Financial Position, Group Statement of Changes in Reserves, Company Statement of Changes in Reserves, Group Statement of Cashflows, Company Statement of Cashflows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 March 2026 and of the group's income and expenditure 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, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – February 2019.

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF RIVER CLYDE HOMES

FOR THE YEAR ENDED 31 MARCH 2026

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Board'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 Report of the Board's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Report of the Board'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 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 the Board's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF RIVER CLYDE HOMES

FOR THE YEAR ENDED 31 MARCH 2026

Responsibilities of the Board

As explained more fully in the Board's responsibilities statement set out on page 16, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and the company operate in and how the group and the company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, the Scottish Housing Acts, the Housing SORP, the Scottish Housing Regulator's Determination of Accounting Requirements – February 2029. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are the Housing (Scotland) Acts 2006, 2010, 2014, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Scottish Housing Regulator's regulatory framework and the Data Protection Act. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the existence, completeness, and valuation of income as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered outside the normal course of business, in relation to management override of internal controls. Audit procedures in relation to assertion risks for income included but were not limited to substantive analytical review to test the grant and rental income that was recognised, selecting a sample of rental income to assess whether it was recognised in accordance with rent review letters or signed tenancy agreements which agree to the housing management system and corroborating a sample of other income to supporting documentation

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

This description forms part of our auditor's report.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF RIVER CLYDE HOMES

FOR THE YEAR ENDED 31 MARCH 2026

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chris Docherty

Chris Docherty (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
4th Floor, G1
5 George Square
Glasgow
G2 1DY

Date: 20/8/26

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

River Clyde Homes and Subsidiary

Group Statement of Comprehensive Income For the year ended 31 March 2026

The notes on pages 30-64 form part of these financial statements.

	Notes	2026 £'000	2025 £'000
Turnover	2	39,857	34,774
Operating expenditure	2	(34,094)	(28,623)
Operating surplus		5,763	6,151
Loss on disposal of fixed assets	4a	(293)	(566)
Interest receivable		8	9
Interest and Financing Costs	19	(8,057)	(8,425)
Other Financing Income	11	-	923
Pension Scheme Settlement	11	(1,717)	-
Deficit on ordinary activities before taxation		(4,295)	(1,908)
Taxation on surplus on ordinary activities	21	-	(13)
Deficit for the year	13	**(4,295)**	(1,921)
Other Comprehensive Income			
Actuarial loss on pension scheme	11	(204)	(859)
Remeasurement in respect of SPF Settlement	11	26,298	-
Total comprehensive gain/(loss) for the year		**21,799**	(2,780)

River Clyde Homes and Subsidiary

Company Statement of Comprehensive Income For the year ended 31 March 2026

The notes on pages 30-64 form part of these financial statements.

	Notes	2026 £'000	2025 £'000
Turnover	2	39,806	34,682
Operating expenditure	2	(34,145)	(28,596)
Operating surplus		5,661	6,086
Loss on disposal of fixed assets	4a	(293)	(566)
Interest receivable		34	34
Interest and Financing Costs	19	(8,057)	(8,425)
Other Financing Income/(Expense)	11	-	923
Pension Scheme Settlement	11	(1,717)	-
Deficit on ordinary activities before taxation		(4,371)	(1,948)
Taxation on surplus on ordinary activities	21	-	-
Deficit for the year	13	**(4,371)**	**(1,948)**
Other Comprehensive Income			
Actuarial loss on pension scheme	11	(204)	(859)
Remeasurement in respect of SPF Settlement	11	26,298	-
Total comprehensive gain/(loss) for the year		**21,723**	(2,807)

River Clyde Homes and Subsidiary

Group Statement of Financial Position as at 31 March 2026

The notes on pages 30-64 form part of these financial statements.

	Notes	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Fixed Assets					
Tangible Assets	4a/b		254,900		252,299
Intangible Assets	4c		895		847
Current Assets					
Stock	5	246		299	
Trade and other Debtors	6a	2,019		1,771	
Trade and other debtors due after more than one year	6b	351		377	
Cash and cash equivalents		3,607		983	
		6,223		3,430	
Creditors: amounts falling due within one year	7	(9,900)		(8,459)	
Net current assets			(3,677)		(5,029)
Total assets less current liabilities			252,118		248,117
Creditors: amounts falling due after more than one year	8		(222,500)		(239,812)
Pension Provision	11		(352)		(731)
Total Net Assets			29,266		**7,574**
Reserves					
Restricted Reserve	13	29		27	
Income & Expenditure Reserve	13	29,237		7,547	
			29,266		**7,574**

These financial statements were approved and authorised for issue by the Board on 18 August 2026 and signed on their behalf by:

CHAIR OF BOARD:

JOHN QUINN

BOARD MEMBER:

GILLIAN McLEES

DIRECTOR:

AILEEN METCALFE

River Clyde Homes and Subsidiary

Company Statement of Financial Position as at 31 March 2026

The notes on pages 30-64 form part of these financial statements.

	Notes	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Fixed Assets					
Tangible Assets	4a/b		254,886		252,250
Intangible Assets	4c		895		847
Current Assets					
Stock	5	-		-	
Trade and other Debtors	6a	3,447		2,982	
Trade and other debtors due after more than one year	6b	351		377	
Cash and cash equivalents		2,884		766	
		6,682		4,125	
Creditors: amounts falling due within one year	7	(10,437)		(9,233)	
Net current assets			(3,755)		(5,108)
Total assets less current liabilities			252,026		247,989
Creditors: amounts falling due after more than one year	8		(222,490)		(239,794)
Pension Provision	11	(352)			(731)
Total Net Assets			**29,184**		7,464
Reserves					
Restricted Reserve	13	29		27	
Income & Expenditure Reserve	13	29,156		7,437	
			29,184		**7,464**

These financial statements were approved and authorised for issue by the Board on 18 August 2026 and signed on their behalf by:

CHAIR OF BOARD:

JOHN QUINN

BOARD MEMBER:

GILLIAN McLEES

DIRECTOR:

AILEEN METCALFE

River Clyde Homes and Subsidiary

Group Statement of Changes in Reserves as at 31 March 2026

Further details are given in note 13.

	Restricted Reserve £'000	Income & Expenditure Account £'000	Total £'000
At 1 April 2025	27	7,545	7,572
Actuarial loss on pension scheme	-	(204)	(204)
Remeasurement in respect of SPF	-	26,298	26,298
Gift aid in the year	-	(105)	(105)
Deficit for the Year	-	(4,295)	(4,295)
Movement in Year	2	(2)	-
At 31 March 2026	**29**	**29,239**	**29,266**

River Clyde Homes and Subsidiary

Company Statement of Changes in Reserves as at 31 March 2026

Further details are given in note 13.

	Restricted Reserve £'000	Income & Expenditure Account £'000	Total £'000
At 1 April 2025	27	7,435	7,462
Actuarial loss on pension scheme	-	(204)	(204)
Remeasurement in respect of SPF	-	26,298	26,298
Deficit for the Year	-	(4,371)	(4,371)
Movement in Year	2	(2)	-
At 31 March 2025	**29**	**29,156**	**29,185**

River Clyde Homes and Subsidiary

Group Statement of Cash Flows for the year ended 31 March 2026

Further details are given in note 14

	2026		2025	
	£'000	£'000	£'000	£'000
Net cash inflow from operating activities (note 14)		38,793		12,579
Cashflow from financing activities				
Interest paid	(8057)		(8,425)	
Loan advances received	5,625		13,500	
Loans repaid	(21,886)		(1,464)	
Net cash inflow from financing activities		(24,318)		(3,611)
Cashflow from investing activities				
Purchase of Tangible Fixed Assets	(12,504)		(16,754)	
Purchase of Intangible Fixed Assets	-		(110)	
Disposal of tangible assets	(293)		35	
Grants Received	938		685	
Interest Received	8		9	
Net cash outflow from investing activities		(11,851)		(16,135)
Net Change in Cash and Cash Equivalents		**2,624**		**55**
Cash and cash equivalents at the beginning of the year		983		928
Cash and cash equivalents at the end of the year		3,607		983
Net Change in Cash and Cash Equivalents		**2,624**		**55**

River Clyde Homes and Subsidiary

Company Statement of Cash Flows for the year ended 31 March 2026

Further details are given in note 14

	2026		2025	
	£'000	£'000	£'000	£'000
Net cash inflow from operating activities (note 14)		38,308		12,494
Cashflow from financing activities				
Interest paid	(8,057)		(8,425)	
Loan advances received	5,625		13,500	
Loans repaid	(21,886)		(1,464)	
Net cash inflow from financing activities		(24,318)		3,611
Cashflow from investing activities				
Purchase of Tangible Fixed Assets	(12,500)		(16,751)	
Purchase of Intangible Fixed Assets	-		(110)	
Disposal of tangible assets	(293)		35	
Grants Received	888		594	
Interest Received	34		34	
Net cash outflow from investing activities		(11,871)		(16,198)
Net Change in Cash and Cash Equivalents		2,118		**(93)**
Cash and cash equivalents at the beginning of the year		766		859
Cash and cash equivalents at the end of the year		2,884		766
Net Change in Cash and Cash Equivalents		2,118		**(93)**

1. General Information and Accounting Policies

The Company is incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland as a private Company Limited by guarantee with Companies House. River Clyde Homes is registered with the Scottish Housing Regulator as a Registered Social Landlord under the Housing (Scotland) Act 2010. River Clyde Homes adopted Charitable Rules on 7th December 2007, and its Charity Number is SC329031. The Company is defined as a public benefit entity and thus the Company complies with all disclosure requirements relating to public benefit entities.

The Company's address is listed on page 2. Its principal activities and the nature of its operations are detailed on page 5. The principal accounting policies are set out below.

a) Basis of Preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and the Determination of Accounting Requirements 2019 as issued by the Scottish Housing Regulator and under the historical cost convention.

The financial statements are prepared in Sterling (£) and are rounded to nearest £'000.

b) Critical Accounting Estimates and Areas of Judgement

Preparation of the financial statements requires management to make critical judgements and estimates concerning the future. Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

i. Useful lives of properties

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on industry averages and our review of our stock. Uncertainties in these estimates relate to the length of time certain components in our homes will last, with varying levels of use potentially lengthening or shortening the lives of these components.

ii. Recoverable amount of rent arrears and debtors

Management considers the reasonable likelihood of rent arrears and debtors being recoverable based on past experience. While every effort is made not to over-estimate the amounts which will be recovered by the Group in the future, the actual amounts which might be received are often out with the Group's control.

iii. Obligations under defined benefit pension scheme

Pension obligations within the financial statements rely on actuarial assumptions and calculations completed by professional actuaries. These assumptions and calculations are reviewed by management to ensure the results are reasonable and appropriate.

Where the performance of the scheme in any given period results in a surplus position at the year end, management consider the likelihood that the Group will receive future economic benefits via reduced contributions or rebates from the scheme.

If these benefits can be reliably quantified and receipt is considered highly probable the value of the recognised asset is restricted to only those amounts deemed as recoverable.

Where the economic benefit cannot be reliably quantified or the timing of receipt is uncertain, management have determined that no asset will be recognised. Management consider this policy to be prudent and aligned with the requirements of FRS 102.

iv. Impairment of Housing Properties

An assessment is made at each reporting date of whether there are indicators that housing properties may be impaired. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential. These impairment losses are recognised in the Statement of Comprehensive Income. See accounting policy k for further details of impairment policy.

c) Consolidation

River Clyde Homes owns the entire share capital of Home Fix Scotland Limited (a private Company limited by shares). In accordance with FRS 102 using the purchase method, the financial statements show the consolidated position of River Clyde Homes and its subsidiary Home Fix Scotland Limited relating to the year ended 31 March 2026. All inter-group transactions are eliminated in full on consolidation.

d) Turnover

Turnover comprises rental and service charge income receivable in the period, other services provided at the invoice value and revenue grants receivable in the period.

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

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

e) Tangible Fixed Assets

Housing properties are stated at cost, all property was acquired at nil value under the stock transfer agreement. The cost of such properties includes the following:

(i) Cost of acquiring land and buildings
(ii) Development expenditure including attributable overheads
(iii) Interest charged on the loans raised to finance the scheme to date of completion.

Works to existing properties will generally be capitalised under the following circumstances:

(i) Where a component of the housing property, that has been treated separately for depreciation purposes and depreciated over its useful economic life, is replaced or restored; or

(ii) Where the subsequent expenditure provides an enhancement of the economic benefits of the tangible fixed asset in excess of the previously assessed standard performance. Such enhancement can occur if improvements result in an increase in rental income, a material reduction in future maintenance costs or a significant extension of the life of the property.

Works to existing properties which fail to meet the above criteria are charged to the Statement of Comprehensive Income. The major components of properties are deemed to be structure, roofs, windows and doors, bathrooms, mechanical systems, lifts, electrics, kitchens and central heating systems. Each component has a substantially different economic life and is depreciated over this individual life. Depreciation rates are shown in note (j).

f) Intangible Fixed Assets

Intangible assets purchased are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Purchased computer software	3 years
Website development costs	3 years
Re-Financing Fees	10 years

Amortisation is revised prospectively if there is a significant change in the useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

g) Investments in Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements

h) Government Grants

Where developments have been financed wholly or partly by Housing Company Grant or other capital grant, the Grants will be presented as deferred income within liabilities on the Balance Sheet. The grant recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, then any unamortised grant remaining is derecognised as a liability and recognised as income. Where there is a requirement to repay a grant, a liability is included in the Statement of Financial Position to recognise this obligation.

i) Other Grants

Grants received in respect of revenue expenditure are credited to the Statement of Comprehensive Income in the same period as the expenditure to which they relate.

j) Depreciation
Housing Land and Buildings:

Housing Properties are stated at cost less accumulated depreciation. Depreciation is charged based on the useful life of each component within its housing properties as follows:-

Structure	100 years
Roofs	70 years
Windows and doors	40 years
Bathrooms	30 years
Mechanical Systems	30 years
Lifts	30 years
Electrics	30 years
Kitchens	15 years
Central heating systems	15 years

Housing under construction is not depreciated and no depreciation is charged on the cost of land.

Other Fixed Assets:

A full year's depreciation is charged in the year of acquisition but no charge is made in the year of disposal. Depreciation is charged at rates estimated to write off costs less the estimated residual value over the expected useful life, as follows:

Furniture and Fittings	20% straight line
Computer Equipment	33 1/3% straight line

Assets transferred from Inverclyde Council were revalued in order to establish an initial value. They will be depreciated as per the policy above in future years.

k) Impairment

An assessment is made at each reporting date of whether there are indicators that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, estimates on the recoverable amount of the asset are made. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the Statement of Comprehensive Income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in Statement of Comprehensive Income. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

l) Value added tax

The Company is registered for VAT. A large portion of its income, including rental receipts, is exempt for VAT purposes, giving rise to a partial exemption calculation. Expenditure is charged to the Statement of Comprehensive Income inclusive of VAT. Recoverable VAT arising from partial exempt activities is credited to the Statement of Comprehensive Income.

m) Pension

In 2025-26, the Company participated in two multi-employer defined benefit schemes; Scottish Housing Association Pension Scheme, which is still ongoing, and the Strathclyde Pension Fund, which the company exited on 31 October 2025.

As the Company exited from Strathclyde Pension Fund scheme to future accrual on 31 October 2025, this asset has been capped at £24,581k to reflect the right to an exit credit. The remainder of the asset will be charged to the Statement of Comprehensive Income below operating surplus.

SHAPS is accounted for as a defined benefit obligation in line with FRS 102. The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates.

As at the year ended 31 March 2026, the net defined benefit pension deficit liability was £352k (2025: £731k), which has been included within the provisions for pensions liability in the financial statements. In the year ended 31 March 2026, the current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period within the income and expenditure account. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income. Refer to Note 11 for more details.

n) Allocation of Owner Occupier Income

Monies charged and received from owner-occupiers for common maintenance are credited into the Statement of Comprehensive Income within the accounting period in which it is invoiced.

o) Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

p) Sale of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale.

q) Energy Trust and Scottish Government Loan

The Company has treated the loan value in accordance with section 34 of FRS 102. The loan has a nil rate of interest and therefore under section 34.89 and 90 the Company has taken the decision of accounting for this at cost.

r) Stock

Stock is stated at the lower of cost and net realisable value. Net realisable value is calculated as estimated sales proceeds less costs to sell. Cost is calculated using the weighted average costing method.

s) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use or sale. All other borrowing costs are expensed as incurred.

t) Deposits and Liquid Resources

Cash comprises cash in hand and deposits repayable on demand less overdrafts repayable on demand. Liquid resources are current asset investments that are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying value.

u) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense. Employees are entitled to carry forward up to 5 days of any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FRS102 requires the Company to recognise the cost of all employee benefits to which its employees have become entitled as a result of service rendered during the reporting period.

v) Deferred Tax

Deferred tax is recognised in respect of all timing differences that have not originated but not reversed at the date of the Statement of Financial Position where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

w) Taxation

As a registered charity, River Clyde Homes is exempt from corporation tax on its charitable activities by virtue of Section 505(1) Income & Corporation Taxes Act 1988 and from capital gains tax by virtue of Section 145 Capital Gains Tax Act 1979.

Home Fix Scotland is subject to Corporation Tax on its applicable activities. Any payments due for corporation tax will be recognised.

x) Going concern

The Management Committee considers on an annual basis the appropriateness of preparing the Company's Financial Statements on a going concern basis. Matters which are taken into account in this process include:

- The prevailing economic climate, both internationally and locally and its impact, if any, on the Company's viability.
- The financial position of the Company and the impact, if any, of perceived weaknesses on the Company's viability.
- The short, medium and long term financial prospects resulting from the modelling exercise carried out annually in updating the Company's 30 year Business Plan including sensitivity analyses and independent verification of key underlying assumptions.

In the absence of any fundamental shortcomings raised as a result of the above exercise the Management Committee consider the going concern assumption underlying the preparation of the Company's Financial Statements to be appropriate.

y) Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised cost model. Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with the movements posted to the Statement of Comprehensive Income (unless hedge accounting is applied). The group and association have not adopted hedge accounting for the financial instruments.

z) Measurement and Recognition of SPF Exit Settlement

River Clyde Homes has measured its actuarial position using assumptions set by an actuarial expert in line with the FRS 102 accounting standard applied to market conditions at the chosen measurement date. The gain recognised is the difference between the valuation at the settlement date and the 'settlement price' which will be the exit credit and any payments made by the entity in connection with the settlement

aa) Gift Aid

Income from Gift Aid donations from the wholly owned trading subsidiary, Home Fix Scotland Limited, is recognised when the charity becomes legally entitled to the funds under the terms of the Deed of Covenant. Entitlement is established at the financial year-end date, as the deed creates a binding legal obligation on the subsidiary to distribute its profits. The income is measured at the lower of the subsidiary's taxable and distributable profits for the corresponding period and is recognised as income within the Statement of Comprehensive Income.

2. GROUP PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS				
	Turnover	Operating Costs	Operating Surplus / / (Deficit)	Operating Surplus / (Deficit) for previous period of account
	£'000	£'000	£'000	£'000
Social lettings (Note 3a)	38,786	33,132	5,654	6,181
Other activities (Note 3b)	1,071	964	107	(30)
Total	**39,857**	**34,096**	**5,761**	**6,151**
2025	34,774	28,623	6,151	

2. COMPANY PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS				
	Turnover	Operating Costs	Operating Surplus	Operating Surplus/ (Deficit) for previous period of account
	£'000	£'000	£'000	£'000
Social lettings (Note 3a)	38,736	33,183	5,553	6,116
Other activities (Note 3b)	1,071	964	107	(30)
Total	**39,807**	**34,147**	**5,660**	**6,086**
2025	34,682	28,596	6,086	

3a. GROUP PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM SOCIAL LETTING ACTIVITIES		
	2026	**2025**
	£'000	**£'000**
Rent receivable net of Service Charges	34,620	32,966
Service Charges	1,188	1,017
Gross income from rents and service charge	35,808	33,983
Less voids	(2,203)	(2,894)
Net income from rents and service charges	**33,605**	**31,089**
Grants from the Scottish Ministers	1,734	2,419
Other Income	3,447	350
Total turnover from social letting activities	**38,786**	**33,858**
Management and maintenance administration costs	16,478	12,884
Planned and cyclical maintenance inc major repair costs	2,864	2,519
Reactive maintenance costs	3,846	2,850
Bad Debts - rents and service charge	349	287
Depreciation of social housing	9,595	9,137
Operating costs for social letting activities	**33,132**	**27,677**
Operating Surplus for Letting Activities	**5,654**	**6,181**
2025	6,181	

The above information relates to General Needs Housing only as the Group do not have any shared ownership or supported housing properties.

The total amount of major repairs expenditure incurred in the year was £12,803,000 (2025-£12,292,000). Major repairs of £12,721,000 (2025-£12,064,000) were capitalised in the year.

3a. COMPANY PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM SOCIAL LETTING ACTIVITIES		
	2026	**2025**
	£'000	**£'000**
Rent receivable net of Service Charges	34,620	32,966
Service Charges	1,188	1,017
Gross income from rents and service charge	35,808	33,983
Less voids	(2,203)	(2,894)
Net income from rents and service charges	**33,605**	**31,089**
Grants from the Scottish Ministers	1,734	2,419
Other Income	3,397	258
Total turnover from social letting activities	**38,736**	**33,766**
Management and maintenance administration costs	16,569	12,898
Planned and cyclical maintenance inc major repair costs	2,864	2,519
Reactive maintenance costs	3,846	2,850
Bad Debts - rents and service charge	349	287
Depreciation of social housing	9,555	9,096
Operating costs for social letting activities	**33,183**	**27,650**
Operating Surplus for Letting Activities	**5,553**	**6,116**
2025	6,116	

The above information relates to General Needs Housing only as the Company do not have any shared ownership or supported housing properties.

The total amount of major repairs expenditure incurred in the year was £12,803,000 (2025-£12,292,000). Major repairs of £12,721,000 (2025-£12,064,000) were capitalised in the year.

3b. GROUP PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES

	Grants from Scottish Ministers	Restricted revenue grants	Supporting people income	Other income	**Total Turnover**	Other operating costs	**Year to 2026 Operating Surplus/ (Deficit)**	**Year to 2025 Operating Surplus/ (Deficit)**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Support activities	-	-	143	435	578	578	-	-
Homefact	-	-	-	330	330	330	-	-
Social Housing Fuel Support Fund	-	-	-	-	-	-	-	(4)
Homelessness Prevention	-	-	-	-	-	-	-	(8)
Short Term Grant Funding	-	-	-	3	3	1	2	1
Cycle Scotland	-	-	-	55	55	55	-	-
Other activities	-	-	-	105	105	0	105	(19)
Total from other activities	**-**	**-**	**143**	**928**	**1,071**	**964**	**107**	**(30)**
2025	-	-	190	726	916	946	(30)	

Grants awarded have only been spent for the purposes intended.

During the year there was no other surplus or deficit from other activities other than that noted above.

3b. COMPANY PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES

	Grants from Scottish Ministers	Restricted revenue grants	Supporting people income	Other income	**Total Turnover**	Other operating costs	**Year to 2026 Operating Surplus/ (Deficit)**	**Year to 2025 Operating Surplus/ (Deficit)**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Support activities	-	-	143	435	578	578	-	-
Homefact	-	-	-	330	330	330	-	-
Social Housing Fuel Support Fund	-	-	-	-	-	-	-	(4)
Homelessness Prevention	-	-	-	-	-	-	-	(8)
Short Term Grant Funding	-	-	-	3	3	1	2	1
Cycle Scotland	-	-	-	55	55	55	-	-
Other activities	-	-	-	105	105	-	105	(19)
Total from other activities	**-**	**-**	**143**	**928**	**1,071**	**964**	**107**	**(30)**
2025	-	-	190	726	916	946	(30)	

Grants awarded have only been spent for the purposes intended.

During the year there was no other surplus or deficit from other activities other than that noted above.

4a. Tangible Fixed Assets - Group and Company - Housing Properties

All properties were transferred to the Company at nil value as part of the Large Scale Voluntary Stock Transfer from Inverclyde Council. During the year, no properties have been scheduled for demolition, resulting in no financial impact (2025: £565,649). Security has been granted to lenders in respect of housing properties and net cumulative interest capitalised on housing properties at 31 March 2026 amounted to £nil (2025: £nil).

	Housing Properties Held for Letting	Housing Properties Held for Construction	Totals
	£'000	£'000	£'000
Cost			
At 1 April 2025	329,208	2,904	332,112
Additions during the period	12,204	-	12,204
Transferred during the period	-	-	-
Disposals during the period	(163)	-	(163)
At 31 March 2026	341,249	2,904	344,153
Depreciation			
At 1 April 2025	79,877	-	79,877
Provided during the period	9,553	-	9,553
Disposals during the period	(111)	-	(111)
At 31 March 2026	89,318	-	89,318
Net Book Value			
As at 31 March 2026	**251,930**	**2,904**	**254,835**
As at 31 March 2025	249,331	2,904	252,235

Social Housing Grant is repayable under certain circumstances. The amount relating to asset disposal during the year is £53,139 (2025: £42,411).

The value of land held within Housing Properties Held for Letting is £3,658,652 (2025: £3,658,652).

4b. Tangible Assets - Group - Other.

	Furniture and Fittings	Plant and Machinery	Computer Equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2025	-	225	2,625	2,850
Additions during the period	-	4	79	83
Disposals during the period	-	-	(164)	(164)
At 31 March 2026	-	229	2,540	2,769
Depreciation				
At 1 April 2025	-	176	2,609	2,785
Provided during the period	-	40	42	82
Disposals during the period	-	-	(164)	(164)
At 31 March 2026	-	216	2,487	2,7-3
Net Book Value				
As at 31 March 2026	-	**13**	**53**	**66**
As at 31 March 2025	-	49	16	65
Plant and machinery held by the Group, with a carrying value of £7,188 (2025: £35,943) are held under finance leases.				

4b. Tangible Assets - Company - Other.

	Furniture and Fittings	Computer Equipment	Total
	£'000	£'000	£'000
Cost			
At 1 April 2025	-	2,625	2,625
Additions during the period	-	79	79
Disposals during the period	-	(164)	(164)
At 31 March 2026	-	2,540	2,540
Depreciation			
At 1 April 2025	-	2,609	2,609
Provided during the period	-	42	42
Disposals during the period	-	(164)	(164)
At 31 March 2026	-	2,487	2,487
Net Book Value			
As at 31 March 2026	-	**53**	**53**
As at 31 March 2025	-	16	16
None of the Company's properties are held under finance lease agreements.			

4c. Intangible Assets - Group

	Computer Software	Website Development	Arrangement Fee	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2025	1,023	63	1,021	2,107
Additions during the period	365	-	-	365
Disposals during the period	(11)	-	-	(11)
At 31 March 2026	1,377	63	1,021	2,461
Depreciation				
At 1 April 2025	891	63	306	1,260
Provided during the period	215	-	102	317
Disposals during the period	(11)	-	-	(11)
At 31 March 2026	1,095	63	408	1,566
Net Book Value				
As at 31 March 2026	**282**	-	**613**	**895**
As at 31 March 2025	132	-	715	847

4c. Intangible Assets - Company

	Computer Software	Website Development	Arrangement Fee	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2025	1,023	63	1,021	2,107
Additions during the period	365	-	-	365
Disposals during the period	(11)	-	-	(11)
At 31 March 2026	1377	63	1,021	2,461
Depreciation				
At 1 April 2025	891	63	306	1,260
Provided during the period	215	-	102	317
Disposals during the period	(11)	-	-	(11)
At 31 March 2026	1,095	63	408	1,566
Net Book Value				
As at 31 March 2026	**282**	-	**613**	**895**
As at 31 March 2025	132	-	715	847

5. Stock General Stock

	Group		Company	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
General Stock	246	299	-	-
	246	299	-	-

The cost of stock recognised as an expense during the year amounted to £0.8 million (2025: £0.9 million).

6a. Debtors due within one year

	Group		Company	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Rent arrears	2,485	2,366	2,485	2,366
Less: bad debt provision	(1,810)	(1,557)	(1,810)	(1,557)
	676	809	676	809
Prepayments	316	266	303	225
Intercompany Loan	-	-	497	497
Intercompany Debtors	-	-	949	758
Sundry debtors	990	918	985	915
Less: bad debt provision	(260)	(252)	(260)	(252)
	1,722	1,741	3,043	2,952
Grant receivable	298	30	298	30
	2,020	**1,771**	**3,446**	**2,982**

In October 2016, RCH entered into an intercompany loan agreement of £0.5 million with its subsidiary Home Fix Scotland. The interest associated with this loan agreement is 5% per annum. The loan is repayable on demand.

6b. Debtors due after more than one year

	Group		Company	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Sundry debtors	351	377	351	377
	351	**377**	**351**	**377**

7. Creditors due within one year

	Group		Company	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Trade creditors	-	290	-	290
Other taxation and social security	250	252	187	194
Rents in advance	763	760	763	760
Hire Purchase Lease	8	24	8	24
Deferred Capital Grant (Note 9)	1,596	1,588	1,596	1,588
Loan	2,246	1,987	2,246	1,987
Intercompany creditors	-	-	1,060	1,346
Pension	1,302	-	1,302	-
Accruals and other creditors	3,735	3,558	3,275	3,044
	9,900	**8,459**	**10,437**	**9,233**
No security is attached to creditors of the subsidiary.				

8.Creditors due after one year

	Group		Company	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Hire Purchase Lease	-	8	-	-
Deferred Tax	10	10	-	-
Deferred Capital Grant (Note 9)	97,995	98,778	97,995	98,778
Loan	124,495	141,016	124,495	141,016
	222,500	239,812	**222,490**	239,794

Loans				
Loans are repayable in instalment due as follows: -	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
In one year or less	2,246	1,987	2,246	1,987
Between one and two years	2,460	2,240	2,460	2,240
Between two and five years	6,946	7,163	6,946	7,163
In five years or more	115,089	131,613	115,089	131,613
	126,741	143,003	**126,741**	143,003

The Company holds loan facilities of £94 million and £32 million with RBS and Nationwide respectively.

The Company holds three term loans with RBS and a revolving credit facility

8. Creditors due after one year (continued)

Facility	Amount £'000	Interest Rate Basis	Repayment Terms
A	18,742	Fixed rate of 6.19%	Mar 2035
B	33,750	SONIA +1.5%	Sept 2047
C	13,000	Fixed rate of 5.277%	Oct 2032
C	20,750	Fixed rate of 6.156% until Sept 2026	Oct 2032
D (Revolving)	8,100	SONIA +1.4%	Oct 2032
	94,342		

The Company holds two term loans with Nationwide and a revolving credit facility.

Facility	Amount £'000	Interest Rate Basis	Repayment Terms
A	6,500	Fixed rate of 6.19%	Mar 2038
B	9,170	Fixed rate of 6.19%	Mar 2032
B	5,000	Fixed rate of 6.29% until Sept 2026	Mar 2032
B	2,753	Fixed rate of 5.09% until Sept 2029	Oct 2032
B	1,577	SONIA +1.5%	Mar 2032
C (Revolving)	7,293	Fixed rate of 5.04% until Sept 2029	Oct 2032
	32,293		

The Company's loan facilities are secured by a standard security over 5,516 of the Company's properties and contains a negative pledge. This security is held by Prudential Trustee Company Limited as Security Trustee for the aforementioned finance parties.

Energy Trust Loans of £0.1 million are repayable over 1 year and have no interest charge.

9. Deferred Capital Grant

	Group		Company	
	2026	**2025**	**2026**	**2025**
	£'000	**£'000**	**£'000**	**£'000**
Opening Balance	100,366	101,418	100,366	101,418
Grant Received in the Year	888	594	888	594
Capital Grant Impaired	(53)	(42)	(53)	(42)
Capital Grant Released	(1,611)	(1,604)	(1,611)	(1,604)
	99,590	100,366	**99,950**	100,366
Amounts to be Released within One Year	1,596	1,588	1,596	1,588
Amounts to be Released after One Year	97,995	98,778	97,995	98,778
	99,590	100,366	**99,590**	100,366

10. Employees - Group

	2026	2025
	No.	No.
The average full time equivalent number (including key management personnel) of persons employed by the Company during the period were as follows:	255.6	281.0
Group Services	36.1	41.7
Strategic Leadership Team	9.0	9.2
Customer Services	71.6	82.8
Property Services	26.6	26.1
Home Fix Scotland	112.3	121.2
The average number of persons employed by the Company during the period	175	192

	2026	2025
	£'000	£'000
Wages and salaries	10,170	9,934
Social security costs	1,279	1,002
Other pension costs	358	662
Staff costs during period	**11,807**	**11,598**

Key Management Personnel are defined as the members of the Board, the Chief Executive and any other person reporting directly to the Chief Executive or the Board whose total emoluments exceed £60,000 per year.

The total number of staff members whose emoluments exceeded £60,000 per year was 32 (2025: 16).

10. Employees - Group (continued)

The number of the Key Management Personnel whose emoluments, excluding pension contributions, were over £60,000 per annum were as follows:

	No.	No.
£60,001 to £70,000	-	-
£70,001 to £80,000	-	-
£80,001 to £90,000	-	-
£90,001+	5	5

	2026	2025
	£'000	£'000
Aggregate emoluments for the above Key Management Personnel (excluding pension contributions)	519	608
The emoluments of the Chief Executive (excluding pension contributions)	167	162
Aggregate pension contributions in relation to the above key management personnel	49	59

The aggregate emoluments shown in 2025 included River Clyde Homes management. The numbers for 2026 and 2025 have been amended to include Home Fix Scotland management.

There were redundancy costs of £41,284 in the year (2025: £280,174). The Chair of the Boards received emoluments of £5,000 (RCH Board) and £4,000 (HFS Board) in the year (2025: £5,000 and £4,000) in respect of their services to the Group.

11. Pension Obligations

The Company's employees belong to the SHAPS. Pension payments outstanding at the end of the financial year totalled £1,599 (2025: £3,195).

SHAPS is a multi-employer defined benefit scheme managed by the Pension Trust. Contributions are charged to the Statement of Comprehensive Income to spread the cost of pensions over the employees' working lives within the Company.

11. Pension Obligations (continued) - SHAPS

The scheme is a defined benefits scheme in the UK.

The assets of the scheme are held separately from those of the Company in an independently administered fund.

No other post-retirement benefits are provided. The scheme is a fully funded scheme. 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 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.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5 million. This means that a Recovery Plan is required to address the deficit, and it has been agreed that deficit recovery contributions will restart from 1 April 2026. The next triennial valuation will take place as at 30 September 2027.

For accounting purposes, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2019 and 30 September 2019. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are in used in conjunction with the Association's fair share of the scheme's total assets to calculate the Company's [CD4.1]net deficit or surplus at the accounting period start and end dates.

Under the defined benefit pension accounting approach, the SHAPS net deficit as at 31 March 2026 was £0.4 million (2025: £0.7 million).

The Company has been informed that its estimated debt on withdrawal as at 30 September 2025 is £2.1 million. The estimated debt is calculated on the solvency basis. This is the Scheme Actuary's estimate of the pricing basis used to secure pension liabilities in full with an insurance company on 30 September 2025.

The Company has been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability. It is recognised that this could potentially impact the value of Scheme liabilities, but until the outcome of the ongoing Court process is known, it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2026 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

11. Pension Obligations (continued) - SHAPS

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY) – SHAPS

	2026	2025
	£'000	£'000
Fair value of plan assets	7,554	6,968
Present value of defined benefit obligation	7,906	7,699
Deficit in plan	(352)	(731)
Unrecognised surplus	-	-
Defined benefit liability to be recognised	(352)	(731)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	2026
	£'000
Defined benefit obligation at start of period	7,699
Current service cost	(94)
Expenses	14
Interest expense	467
Contributions by plan participants	495
Actuarial losses (gains) due to scheme experience	(163)
Actuarial losses (gains) due to changes in demographic assumptions	58
Actuarial losses (gains) due to changes in financial assumptions	(365)
Benefits paid and expenses	(205)
Defined benefit obligation at end of period	7,906

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	2026
	£'000
Fair value of plan assets at start of period	7,699
Interest Income	(94)
Expenses	14
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	467
Employer Contributions	495
Member Contributions	(163)
Benefits paid and expenses	58
Fair value of plan assets at end of period	(365)

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was (£233,000).

11. Pension Obligations (continued) - SHAPS

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCI)

	2026
	£'000
Current service cost	(94)
Expenses	14
Net interest expense	26
Defined benefit costs recognised in statement of comprehensive income (SoCI)	(54)

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	2026
	£'000
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(674)
Experience gains and losses arising on the plan liabilities - gain (loss)	163
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(58)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	365
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(204)
Total amount recognised in other comprehensive income - gain (loss)	(204)

ASSETS

	2026	2025
	£'000	£'000
Global Equity	997	807
Liquid Alternatives	1,444	1,283
Insurance - Linked Securities	15	(731)
Property	394	345
Infrastructure	-	1
Private Equity	17	6
Real Assets	749	832
Private Credit	974	869
Credit	344	296
Investment Grade Credit	317	319
Cash	3	37
Long Lease Property	-	2
Secured Income	102	161

11. Pension Obligations – (continued) SHAPS

Liability Driven Investment	2,085	1,962
Currency Hedging	-	12
Net Current Assets	113	9
Total Assets	7,554	6,968

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.

KEY ASSUMPTIONS

	31/03/2026 % per annum	31/03/2025 % per annum
Allowance for commutation of pension for cash at retirement	75	75
Inflation (RPI)	3.24	3.02
Salary Growth	4.04	3.80
Increase (CPI)	3.04	2.80
Discount rate	6.35	5.99

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2026	20.7
Female retiring in 2026	22.9
Male retiring in 2045	21.9
Female retiring in 2045	24.4

11. Pension Obligations – The Strathclyde Pension Fund

The Strathclyde Pension Fund is a defined benefit scheme which provides benefits based on the final pensionable salary, the assets of which are held in a separate trustee administered fund. The pension costs are assessed with the advice of independent qualified actuaries, using the projected unit method.

As the Company exited the pension scheme on 31st October 2025, the cessation valuation in the accounts was obtained at this date showing a surplus of assets over liabilities at that date of £24.6 million (2025: surplus position of £26.3 million). In accordance with FRS102 paragraph 28.22, a pension scheme asset is recognised on the balance sheet only to the extent that pension scheme trustees have agreed a right to a refund from the scheme or entitlement to reduced future contributions at the balance sheet date. The conditions have been met and therefore the asset has been recognised on the balance sheet and subsequently paid. In line with FRS 102 the asset

ceiling has been released through other comprehensive income and the difference between the FRS 102 asset and the expected exit credit has been charged to income and expenditure.

Pension scheme exit costs were excluded from operating expenditure due to this being deemed to be an exceptional one-off item. See accounting estimates and judgements for more details. This is a transaction between the Company and pension fund payable upon exit of the defined benefit pension scheme, which is a one-off and unusual event upon scheme closure. This is separate from the ongoing management of the pension schemes for employees and is not linked to operational business or ongoing pensions administration activities.

The Company has recognised the following transactions on exit from the scheme:

Reconciliation of Strathclyde Pension Fund

Amounts recognised in the Statement of Financial Position in relation to exit are:

	£'000
As at 1 April 2025	-
Removal of Asset Ceiling	26,298
Movement in present value of the defined benefit obligation	(1,717)
Transfer to Current Assets	(24,581)

Amounts recognised in the Statement of Financial Position in relation to exit are:

	£'000
Pensions Costs	(1,717)
Remeasurement in Other Comprehensive Income	26,298
Net Impact on the Statement of Comprehensive Income	24,581

11. Pension Obligations – The Strathclyde Pension Fund

Principal acturial assumptions

Financial assumptions

	31/03/2026 % per annum	31/03/2025 % per annum
Increase in salaries	2.3	3.5
Increase in pension and deferred pensions	2.3	2.8
Discount rate	4.3	5.8

Funding Position

	31/03/2026 £'000	31/03/2025 £'000
Liabilities		
Active	(10,013)	(8,607)
Deferred	(4,414)	(3,732)
Pensioner	(19,691)	(16,798)
Total Liabilities	(34,118)	(29,137)
Assets	58,699	55,435
Surplus / (Liability)	**24,581**	**26,298**

The Board is aware of the UK High Court legal ruling that took place in June 2023 between Virgin Media vs NTL Pension Trustees II Limited, which found that certain historic rule amendments were invalid if they were not accompanied by actuarial certifications. On the 29 April 2026, the Government introduced legislation to give affected pension schemes the ability to retrospectively obtain actuarial certifications that historical benefit changes met the necessary statutory standard. Subject to the pension scheme trustees receiving all the required retrospective actuarial certificates, the Board does not anticipate any additional scheme liabilities.

12. Company limited by guarantee

The Company is a Company limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each.

13. Reconciliation of movement in reserves – Group

Income & Expenditure Reserve

	2026	2025
	£'000	£'000
Opening funds	7,545	10,294
Deficit for period	(4,295)	(1,921)
Tfr (to) / from Restricted Reserve	(2)	32
Gift Aid	(105)	-
Actuarial loss on pension scheme	(204)	(859)
Remeasurement in respect of SPF	26,298	-
Revenue reserve at end of year	**29,237**	7,546

Restricted Reserves

	2026	2025
	£'000	£'000
Opening funds	27	59
Movement in the Year	2	(32)
Restricted Reserve	**29**	27

Restricted Reserves Detail

	Opening Funds £'000	Movement In Year £'000	Balance £'000
Support & Connect	7	-	7
Homelessness Prevention Fund	5	-	5
Short Term Grant	13	2	15
Outreach Financial Wellbeing Service	(7)	-	(7)
Social Housing Fuel Support Fund	-	-	-
Digital Telecare	4	-	4
Cycle Scotland	5	-	5
Restricted Reserve	**27**	**2**	**29**

13. Reconciliation of movement in reserves – Company

Income & Expenditure Reserve

	2026	2025
	£'000	£'000
Opening funds	7,436	10,211
Deficit for period	(4,731)	(1,948)
Tfr (to) / from Restricted Reserve	(2)	32
Actuarial loss on pension scheme	(204)	(859)
Remeasurement in respect of SPF	26,298	-
Revenue reserve at end of year	**29,158**	7,436

Restricted Reserves Detail	Opening Funds £'000	Movement In Year £'000	Balance £'000
Support & Connect	7	-	7
Homelessness Prevention Fund	5	-	5
Short Term Grant	13	2	15
Outreach Financial Wellbeing Service	(7)	-	(7)
Social Housing Fuel Support Fund	-	-	-
Digital Telecare	4	-	4
Cycle Scotland	5	-	5
Restricted Reserve	**27**	**2**	**29**

14. Notes to the Cash Flow Statement – Group

	2026	2025
	£'000	£'000
a) Reconciliation of operating surplus to Net cash inflow from operating activities		
Operating surplus	5,763	6,151
Depreciation	9,832	9,401
Pension – employee income	(583)	(1,112)
Capital Grant Released	(1,611)	(1,646)
Disposal of Fixed Assets Demolition	-	(566)
Other Finance Income	-	923
Pension Scheme Settlement	24,582	-
Decrease/(Increase) in debtors	(222)	1,560
(Decrease)/Increase in stock	(53)	(27)
(Decrease)/Increase in creditors	1,192	(2,105)
Net cash inflow from operating activities	38,793	12,579
b) Reconciliation of net cash flow to movement in net debt		
Increase in cash for the period	2,624	55
Loans received	(5,625)	(13,500)
Loan repayments	21,886	1,464
Change in net debt	18,885	(11,981)
Opening Net debt	(142,320)	(130,339)
Net debt as at 31 March 2026	**(123,435)**	(142,320)

14. Notes to the Cash Flow Statement – Group (continued)

c) Analysis of changes in net debt	As at 01/04/25 £'000	Cash Flow £'000	Other Changes £'000	As at 31/03/26 £'000
Cash at bank and in hand	983	2,624	-	3,607
Debt due within one year	-	-	-	-
Debt due after one year	(143,303)	16,262	-	(127,041)
	(142,320)	18,886	-	**(123,434)**

14. Notes to the Cash Flow Statement – Company

	2026	2025
	£'000	£'000
a) Reconciliation of operating surplus to Net cash inflow from operating activities		
Operating surplus	5,661	6,086
Depreciation	9,792	9,361
Pension – employee income	(583)	(1,112)
Disposal of Fixed Assets Demolition	-	(566)
Other Finance Income	-	923
Pension Scheme Settlement	24,582	-
Capital Grant Released	(1,611)	(1,646)
Decrease/(Increase) in debtors	(439)	3,346
(Decrease)/Increase in stock	-	-
Decrease in creditors	907	(3,898)
Net cash inflow from operating activities	38,308	12,494
b) Reconciliation of net cash flow to movement in net debt		
Increase / (Decrease) in cash for the period	2,118	(93)
Loans received	(5,625)	(13,500)
Loan repayments	21,886	1,464
Change in net debt	18,379	(12,129)
Opening Net debt	(142,537)	(130,408)
Net debt as at 31 March 2026	**(124,158)**	(142,537)

14. Notes to the Cash Flow Statement – Company (continued)

c) Analysis of changes in net debt	As at 01/04/25 £'000	Cash Flow £'000	Other Changes £'000	As at 31/03/26 £'000
Cash at bank and in hand	766	2,118	-	2,884
Debt due within one year	-	-	-	-
Debt due after one year	(143,003)	16,262	-	(126,741)
	(142,237)	18,380	-	**(123,857)**

15. Unit numbers under management

	2026	2025
	No.	No.
Cottage	2,007	2,007
Flat	608	608
Maisonette	74	74
Multi-Storey	837	837
Tenement	2,568	2,566
	6,094	6,092

16. Related Parties

Various members of the Board are Tenants of the Company. The transactions with the Company are all done on standard terms, as applicable to all Tenants. During the year £18,015 (2025: £17,157) of rent was receivable from these tenant members. At the year-end there were £721 (2025: £nil) of rent arrears due from these tenant members. There are also Councillors from Inverclyde Council on the Board. Any transactions with Inverclyde Council are made at arm's length, on normal commercial terms and these Board members cannot use their position on the Board to their or the Council's advantage.

17. Auditors Remuneration

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Fees payable to the auditor and its associates for the audit of the financial statements (including VAT)	45	42	35	28
Fees payable to the auditor and its associates in relation to taxation services	2	1	-	-

18. Annual Operating Leases-Group and Company

	2026 £'000		2025 £'000	
	Land & Buildings	Other Assets	Land & Buildings	Other Assetas
Leases < 1 year	283	275	372	505
Leases 1 to 5 years	1,133	54	1,488	-
Leases > 5 years	968	-	1,251	-
	2,385	**329**	3,11	505

All the above leases relate to land, buildings, IT infrastructure and plant and machinery. The cost of operating leases recognised as an expense during the year amounted to £0.5 million (2025: £0.8 million).

19. Interest Payable and Other Charges

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Banks and Building Society Loans	**8,057**	8,425	**8,057**	8,425

20. Capital Commitments

	2026 £'000	2025 £'000
Expenditure authorised by the Board less certified	-	-

21. Deferred Taxation

	2026 £'000	2025 £'000
At the beginning of the year	(10)	-
Charged to profit or loss	-	(10)
At the end of the year	(10)	(10)
Deferred Tax:		
Accelerated Capital Allowances	11	11
Short-term timing differences	(1)	(1)
Total deferred tax	10	10

(Continues on back cover page)

22. Financial Instruments

	Group 2026 £'000	Group 2025 £'000	Group 2026 £'000	Group 2025 £'000
Financial Assets				
Cash and Cash Equivalents	3,607	983	2,884	766
Financial assets that are debt instruments measured at amortised cost	2,053	2,103	3,389	3,199
Financial Liabilities				
Financial liabilities measured at amortised cost	130,583	147,315	133,676	148,661

Financial assets that are debt instruments measured at amortised cost comprise rental arrears, other debtors and amounts owed by fellow group companies.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, amounts owed to fellow group companies, accruals and bank loans.

river clyde homes

Report and financial statement for the year ended 31 March 2026

REGISTRATION PARTICULARS:

Principal Office and registered address:
River Clyde Homes
Clyde View
22 Pottery Street Greenock PA15 2UZ

www.riverclydehomes.org.uk

Company Number: SC329031

Charity Number: SC038584

Property Factor Registration Number: PF000152
Scottish Housing Regulator Registered Number: 362

Part of the RCH GROUP