Rutherglen and Cambuslang Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2026

Registered Housing Association No. HAC176

FCA Reference No. 2029R(S)

Scottish Charity No. SC041992

Contents

Members of the Board of Management, Executives and Advisers for the Year Ended 31 March 2026

Board of Management

Frances Cunningham	Chairperson
Gary Gow	Vice-chairperson
James Ross	Secretary
Karen McCartney	Resigned 16/12/2025
Natalie Kirk	
Karen Kirk	
Heather Ross	
Adele Fraser	
Catrina Miller	
Darren Ward	
Sharon Lynch	
Karha Hughes	Resigned 22/05/2025
Alex Russell-Rutherford	Appointed 09/09/2025
Iain Smith	Appointed 09/09/2025
Anthony Cordell	Appointed 09/09/2025

Executive Officers and Key Management Personnel

Angela Spence	Chief Executive Officer	Appointed 4 August 2025
Elaine Lister	Director	Resigned 1 August 2025
James Kerr	Housing Services Manager	
Mandy Hamilton	Asset Manager	
Wilma McInerney	Corporate Services Manager	

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Aspire Business Centre
16 Farmeloan Road
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South Lanarkshire
G73 1DL

External Auditors
CT Audit Limited
Chartered Accountants &
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Internal Auditors
Wbg
168 Bath Street
Glasgow
G2 4TP

Finance Agents
FMD Financial Services Ltd
3 Clairmont Gardens
Glasgow
G3 7LW

Bankers
Bank of Scotland
54 Sauchiehall Street
Glasgow
G2 3AH

Solicitors
TC Young
7 West George Street
Glasgow
G2 1BA

Report of the Board of Management for the Year Ended 31 March 2026

The Board of Management presents its report and the Financial Statements for the year ended 31 March 2026 for Rutherglen and Cambuslang Housing Association (RCHA).

Legal Status

RCHA is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 as registered with the Financial Conduct Authority (registration number 2029R(S)). RCHA is a social landlord registered with the Scottish Housing Regulator (registration number 176).

RCHA is governed under its Rules which were last reviewed in 2024. The Association is a registered Scottish Charity with the charity number SC041992 and a registered factor under the Property Factors (Scotland) Act 2011 (registration number PF000345).

Principal Activities

RCHA's principal activity is the provision, management and maintenance of good quality, affordable rented housing. Our mission statement is

"To deliver high quality, affordable housing and services with care and expertise which empowers our customers and meets their needs."

However, it also seeks to be 'more than a landlord' that delivers on our vision of

"Providing a home, not just a house".

During 2025/26, RCHA have been looking at how we better support our tenants, factored owners and our wider communities. A partnership has been established with West of Scotland Housing Association to assist in our support service delivery for welfare benefits and income maximisation for tenants and owners starting in 2026/27. This has expanded to also provide support for our families who are struggling. The Association has been working hard to improve our customer engagement which is supported by a dedicated staff member.

Our Strategic Objectives

The Association last reviewed its strategic objectives (SO) in 2025. These are

- SO1 - Proactively seek out and maximise opportunities to enhance the provision of high-quality homes and neighbourhoods
- SO2 - Expand our presence and activities to grow our community regeneration and actively engage with our customers and communities to meet local needs and aspirations
- SO3 - Value and develop all our people and celebrate success
- SO4 - Continue to deliver robust financial, performance and governance outcomes
- SO5 - Continue to meet the goals of the Green Agenda/Net Zero.

RCHA's Business Plan 2025/28 was approved in August 2025. This sets out the strategic direction of the Association and its focus for the next three years. The Association's strategic delivery plan sets out our key business activities from the business plan and also takes account of any additional actions identified through ongoing environmental scanning, business opportunities and strategic review processes. RCHA's permitted activities and powers will include anything which is necessary or expedient to help the Association to achieve these objectives.

2025/26 Review of Business and Future Developments

Context - Property

The Association is a community-based housing association in the Rutherglen and Cambuslang areas of South Lanarkshire. As of 31 March 2026, the Association owns 873 properties, part owns 8 shared ownership properties and 7 leased properties for housing support projects. RCHA also provides factoring services for a further 934 properties. The Association also owns 35 lockups, 1 shop and the Aspire Business Centre which is the Association's headquarters as well as commercial office space lets to a variety of tenants.

Context - Governance

The Association is controlled by a Board of Management. Each member of the Board holds one fully paid share of £1 in the Association. The Executive Officers (staff) hold no interest in the Association's share capital and, although not having the legal status of Directors, they act as Executives within the authority delegated by the Board.

The members of the Board of Management are also Trustees of the Charity. Members of the Board of Management are appointed by the members at the Association's Annual General Meeting or apply to fill casual vacancies in the year or take up co-opted places. The Board of Management can be no fewer than 7 members and no more than 15, with no more than one third being co-optees. On 31 March 2026, the Association had a Board of Management made up of 13 elected members. Of the 13 members, 6 are tenants the others have a interest in the Association.

Three new members joined RCHA during 2025/26. Details of our Board and our staff team are kept updated on our public website at

https://www.randcha.co.uk/our-governing-body/ and

https://www.randcha.co.uk/our-staff-team/

We had one Board vacancy on 31st March 2026 and are actively recruiting for this with our membership and beyond for our 2026 AGM.

Our Board members come with a wide range of applicable skills to run RCHA and ensure compliance with all legal and regulatory requirements. To support this, all Board members undertake an annual appraisal process to ascertain any learning and development needs as a governing body and individually to enhance their skills for the role.

Context- Activities, Risk, Value for Money, Efficiency and Performance

Like all businesses, the Association stringently looks at its performance, outcomes and service requirements to make sure we are meeting customer needs whilst remaining a viable business in the long-term. Board and Staff consider value for money in our strategic and operational delivery and have carried out a number of improvements to ensure activity, systems and processes are as efficient and effective as possible. During 2025/26, there was a focus on performance management to ensure both Board and staff have access to improved business performance reports.

Key highlights from our delivery plan included

- Undertaken a technical options appraisal on the Caledonian Centre which is owned by the Association's wholly owned subsidiary, Aspire Community Development Company Ltd., and extensive community consultation and business planning for the future of the Centre. A number of activities are now underway.

- Undertaken a comprehensive review of RCHA's factoring service which recommended several improvements which were needed including 1) an increase to the factoring fee to ensure tenants are not cross subsidising owners charges which was implemented from 1/10/25, 2) an increase in staff to provide factoring services and 3) customer communications to owners has been a key area for business improvement.

- Recruited a new CEO from August 2025.

- Added two new temporary officers to the staff structure to test and pilot innovation and improvement – a Lead Factoring Officer from October 2025 to improve our Factoring Service and a Customer Engagement Officer from June 2025 to improve our interaction, listening, engagement and responsiveness to what our customers want from us. We have bought a software system licence called CX Feedback to support our engagement improvements for both tenants and factored owners.

- Undertaken a wholesale review of the full staff structure which identified the need for an Asset and Compliance Officer and a move to generic working in our Housing Service. This review also considered our service offering which has introduced hybrid working and wellbeing support for the staff team.

- Carried out a stock condition survey of circa 70% of our properties and 100% of our common areas to check what our stock needs by way of planned investment over the next thirty years. This has informed investment plans going forward for replacing components in our homes like kitchens and bathrooms. A further 10% will follow over each of the next three years until we have a robust 100% survey data set. Procurement for component replacement was also undertaken for kitchens and bathrooms.

- Returned a self-assessed compliant annual assurance statement and the Association was assessed by the Scottish Housing Regulator as "Compliant" in April 2025 and April 2026. RCHA is working through an Annual Assurance Action Plan for continuous improvement activity to give additional assurance to the Board.

- Undertook two internal audits for allocations and landlord health and safety both of which had substantial assurance; the top scoring category.

- Completed 170 internal wall insulations in our tenants' homes in our pre-1919 tenements and non-traditional properties to increase energy efficiency and carbon reduction. This was fully funded through ECO4 and equates to circa £600,000 of funding received for this work. Recent analysis by the installer identified an added bonus of a significant reduction in the risk of damp and mould at locations where internal wall insulation has been fitted to less than 1%.

- Commenced workshops in December 2025 to progress the procurement of a new housing management software system during 2026/27. This is a major project involving all staff in the configuration and design of a new system.

Treasury Management

The Board takes a prudent approach to the financial affairs of the Association and retains close control of these. Investments are regularly reviewed to ensure that the Association achieves the best return on any investment made, whilst spreading the risk of investments across institutions. The Board also keeps the Association's loan portfolio under review and monitors the impact of financial decisions on the loan covenant conditions that the Association is required to meet on a quarterly basis.

The Association has not taken on any new debt during the year and has no plans for further borrowing at this time. The Association, as a matter of policy, does not enter into transactions of a speculative nature. Surplus funds are managed carefully using long-established banks or building societies. The Treasury Management position of the Association is reviewed by the Board every quarter and the Treasury Management Policy is reviewed by the Board every three years.

Risk Management

The Association has implemented a formal, robust and proactive risk management process which reflects the Association's Business Plan and Risk Management Policy and supports the achievement of its business objectives. A key part of this process is the strategic risk register that identifies the key risks, the real level of the risk and the control measures the Association has in place to mitigate or eliminate the impact of the risk. The Strategic Risk Register is considered by the Board quarterly and is a dynamic document; updated with any new risks as these arise.

Risks and Uncertainties

The Association recognises that it operates in a sector that is heavily influenced and impacted by the wider social, economic and political environment. It is therefore not immune to the current economic uncertainty and potentially faces a number of challenges such as:

- Ongoing uncertainty on the world stage including war in the Middle East and Ukraine-leads to volatile markets
- The cost-of-living crisis and impact on our customers as circa 78% of our tenants live in the lowest 15% most deprived areas in Scotland;
- Variations in interest rates and inflation due to volatile markets;
- Ongoing welfare reforms including managed migration
- Challenge in terms of financing new build- Board has decided to continue with the current moratorium on undertaking development but to review this in 12 months.
- Increasing insurance risks and costs.

RCHA's Top 5 Risks at end March 2026

Our top 5 risk areas on our strategic risk register, post mitigation measures, are as detailed in the table below:

Risk Number	Risk	Strategic Objective Link	Risk Score (Likelihood X Impact)
1	Ineffective subsidiary management of Aspire Community Development Company Limited leads to failure of Caledonian Centre	SO2 & SO4	(4 x 5) **20**
2	Business Continuity- Cyber-attacks/ Phishing/ Ransomware/Loss of office/Loss of access to office/IT failure	SO 4	(3 x 4) **12**
3a	Factoring Arrears levels remain high due to culture of non-payment	SO4	(4 x 3) **12**
4	Increased engagement with Scottish Housing Regulator/Failure to comply with Regulatory Standards	SO 4	(2 x 5) **10**
5	Housing Management System (HMS) provider ineffective New risk added 23/10/25	SO1 and SO4	(2 x 5) **10**

Robust management of these risks is an essential element of good governance and is an integral part of the Association's strategic and operational planning processes. Our delivery plan activity is linked closely with our higher risk areas.

Financial Review

The Association needs to have reserves to ensure that the organisation can function into the future and meet its future liabilities, including the repair, maintenance, and replacement investment needs of its properties. In the year to 31 March 2026, the Association made a surplus of £891,195 (2025: £389,974). The Association reports an operating margin of 19.8% (2025: 12.2%). The main driver of the difference was the lower revaluation of the Aspire Business Centre in 2024-25, there is no such movements in the current year. Any surpluses that the Association makes are set aside within reserves for future business and works. As at 31 March 2026, the Association has cash to the value of £3,467,208 and has loan debt at a value of £6,570,790 having paid £700,239 off its loan debt during the year. The bank base rate has decreased over the year, the Association has a mix of variable and fixed rate loans which has assisted with mitigating the financial impact of interest rate changes. As at 31 March 2026, the Association has a net asset value position of £21,899,839 (this is the assumed net worth of the Association and is not a cash item).

Performance Management

Despite RCHA's challenging operating environment, the Association continues to perform very well. At the end of March 2026, the Board considered updated customer satisfaction survey outcomes which show excellent performance against the 2023 measures and the Scottish average for all social landlords as follows:

Performance Indicator	Scottish average 24/25 figures	2023 Outturn	2026 Outturn
% tenants satisfied with overall service	86.8%	90.1%	95%
% tenants that feel RCHA is good at keeping them informed	90%	96.7%	99.6%
% tenants satisfied with opportunities to participate	86.3%	96.7%	99.6%
% tenants satisfied with the quality of their home	84.7%	87.3%	90%
% tenants satisfied with RCHA's contribution to the management of neighbourhood	84.2%	93.6%	93%
% tenants who feel their rent represents good value for money	81.7%	81.7%	82%
% tenants satisfied with the repairs service	86.7%	93%	94.68%

In addition to our high customer satisfaction ratings, our operational activity included the following outcomes in 2025/26 (Scottish average data for 2024/25 in brackets for comparison)

- 38 homes were let to households in housing need.
- The average length of time taken to complete emergency repairs was 2.94 hours (3.9 hours) and 6.15 days (9.1 days) for non-emergency repairs
- 100% (97.1%) of complaints were resolved in full but stage 2 complaints took a bit longer than our target at 20 days to respond due to the complexity of some of the complaints.
- The time taken to re-let properties was 13.03 days (60.6 days) with 0.15% (1.3%) of rental income was lost due to properties being empty
- The gross rent arrears as a percentage of the annual rental income was 1.98% (6.2%)
- 100% of anti-social behaviour cases were successfully been resolved on time;
- 93.13% (87.2%) of the Association stock complies with the Scottish Housing Quality Standard. The exempt properties are mainly smaller properties which cannot be fitted with 1m3 of kitchen storage.

RCHA has high performance in our key performance indicators (KPIs) showing effective delivery. Many of our KPIs are submitted to the Scottish Housing Regulator in the annual return on the charter. Alongside the other regulatory returns due each year, this allows the Regulator to undertake detailed risk analysis and health checks on the Association's business and to facilitate comparison with other social housing landlords across Scotland.

Future Plans and Priorities

<u>Provision of New Housing</u>

The Association is committed to providing more high quality, affordable housing to meet increasing demand and the homeless emergency. The Association took the decision to withdraw from a previous project in 2023 and with the current financial and economic challenges including rising costs, limited government funding and uncertainty around interest rates, it represents too high a risk for the Association's long-term financial security.

However, the Association still has the ambition to develop new affordable housing and remains open to exploring any other opportunities for further development although it will continue to take an extremely cautious and prudent approach to developing new homes at this time. This was re-affirmed by the Board in March 2026 and will be reviewed in the next 12 months.

Acquisition

The Board of Management is keen to see growth via acquisition. Discussions are ongoing with South Lanarkshire Council to participate in their Open Market Purchase Scheme during 2026/27 and beyond on a small scale of circa 3 or 4 units per annum supported, in part, by grant funding from the Scottish Government.

Major Projects

RCHA has several major projects ongoing as follows

- Ongoing parent company oversight of Aspire Community Development Company Ltd and the Caledonian Centre to ensure it is viable in the longer term. This is RCHA's biggest risk area.
- Rent harmonisation- The Association is working with consultants to review our rent setting process to simplify it and make it fairer and more transparent. Amended rent charges will be applied from 1/4/27 and engagement with tenants is ongoing to finalise the model of charging.
- New housing management system- this is a major project for the Association which will result in more automated and improved processes, greater self service by customers in an improved portal and a contractor's portal for improved communications and invoicing.
- Rolling out future planned investment in next three years- Asset Management staff are finalising the investment plans for the next three years and tenants and affected owners will be updated on these. The Association has full projections for the next 30 years to ensure a sustainable and viable business in the longer term.
- Maintain our high standards in landlord health and safety compliance as reflected in our audit. The target is 100% compliance rate across gas safety, water safety, electrical safety, mould and damp legal compliance, lift safety, fire safety and asbestos management.
- Factored Owners -this remains an area of significant focus for the Association. Improvements following the review including an improved debt recovery policy and practices, improved communications and new charging policy, which reflects the cost of the service, have been introduced. Satisfaction levels with RCHA's factoring service were last collected in 2024 and were low at 51% in comparison to our tenant feedback. Owner feedback will be captured again in 2027.
- Potential office move within the Aspire Business Centre to a ground floor location to bring all staff together.
- Prepare and deliver a Wider Role Strategy and increase our grant income and partnership working in this area for the benefit of our customers

Support Services

A number of our support services are scheduled for re-tender in the next 12 months as follows
- 2026/27 is the final year of our three-year contract with Wbg for internal audit services.
- 2026/27 is the final year of our three-year contract for external audit services with CT
- legal services contract -has been tendered and an appointment is imminent
- financial support service lapses on 30/9/2027 so is not due for re-tender until 2027/28.

Statement of Board of Management's Responsibilities

The Co-operative and Community Benefit Act 2014 require the Board of Management to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those Financial Statements, the Board of Management is required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business; and
- prepare a statement on Internal Financial Control.

The Board of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to: ensure that the Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2014 and the SHR Determination of Accounting Requirements – 2026. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

The Board of Management must, in determining how amounts are presented within items in the Statement of Comprehensive Income (income and expenditure account) and Statement of Financial Position (balance sheet), have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

Disclosure of Information to the Auditor

In so far as the Board of Management are aware, at the time this report is approved:
- There is no relevant audit information (information needed by the Housing Association's auditors in connection with preparing their report) of which the Association's auditors are unaware, and
- The Board of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Housing Association's auditors are aware of that information.

Statement on Internal Financial Control

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

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

It is the Board of Management'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 or loss. Key elements of the Association's systems include ensuring that:

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association'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 which allow the management team and the Board of Management to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable, and up to date financial and other information, with significant variances from budget being 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, through the Board of Management;
- the Board of Management receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken; and
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Board of Management has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2026. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

Auditors

CT Audit Limited were appointed by the membership at the September 2023 AGM as external auditors of the Association and subsidiary for financial years 2023-24 and 2024-25 with the option to extend one further year. The further year to undertake the 2025/26 audit was approved by members at the 2025 AGM. External audit services will be retendered for the 2026/27 audit.

Rutherglen and Cambuslang Housing Association Limited

By order of the Board of Management

Frances Cunningham (Chairperson) FCunningham

Date: 25/08/26

Report by the Auditors to the Members of Rutherglen and Cambuslang Housing Association Limited on Corporate Governance Matters for the Year Ended 31 March 2026

In addition to our audit of the Financial Statements, we have reviewed your statement on pages 11 and 12 concerning the Association's compliance with the information required by the Regulatory Standards 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 on corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Association'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 Controls on page 11 has provided the disclosures required by the relevant Regulatory Standards 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.

Through our enquiry of certain members of the Board of Management and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Board of Management's Statement on Internal Financial Controls appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

CT Audit

CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
Date: 01|09|2026

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2026

Opinion

We have audited the financial statements of Rutherglen and Cambuslang Housing Association Limited (the 'Association') for the year ended 31 March 2026, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cashflows, the Statement of Changes in Equity, and the related notes, including a summary of 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 association's affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – 2024.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2026 (Continued)

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 of Management are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the Association in accordance with the requirements of the legislation; or
- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation; or
- the financial statements are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board of Management

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

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

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2026 (Continued)

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.

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 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 audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Association operates in and how the Association is complying with the legal and regulatory frameworks;
- 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, and
- 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.

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2026 (Continued)

As a result of these procedures, we consider that the most significant laws and regulations that have a direct impact on the financial statements were, but not limited to, FRS 102, Housing SORP 2018, the Scottish Housing Regulator's Determination of Accounting Requirements 2024, the Co-operative and Community Benefit Societies Act 2014 and the Housing (Scotland Act) 2010. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures against the requirements of the relevant financial reporting standards.

We also performed audit procedures to inquire of management, and those charged with governance whether the Association is in compliance with these laws and regulations, inspected correspondence with regulatory authorities including mandatory submissions to the Regulator, reviewed minutes of meetings of the Board of Management and relevant sub-committees, and reviewed available online information.

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

Use of our report

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

CT Audit

CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
Date: 01/09/2026

Statement of Comprehensive Income for the Year Ended 31 March 2026

	Notes	£	2026 £	£	2025 £
REVENUE	2		5,362,572		4,913,726
Operating Costs	2		(4,331,117)		(3,920,850)
OPERATING SURPLUS			1,031,455		992,875
Interest Receivable and Other Income	7	67,392		71,835	
Interest Payable and Similar Charges	8	(263,878)		(331,237)	
Other Finance Income / (Charges)	11	(22,000)		(21,000)	
Gain / (Loss) on Revaluation of Investment Property	12 (b)	32,226		(392,500)	
			(186,260)		(672,902)
SURPLUS FOR THE YEAR	9		**845,195**		**319,974**
Other comprehensive income					
Actuarial (Losses)/gains on defined benefit Pension Plan	27		46,000		70,000
TOTAL COMPREHENSIVE INCOME			**891,195**		**389,974**

The Financial Statements were approved by the Board of Management, authorised for issue and signed on its behalf on 25 August 2026 by:

Name:

Signature:

Committee Member **Committee Member** **Secretary**

The notes on pages 22 to 40 form part of these Financial Statements.

Statement of Financial Position as at 31 March 2026

	Notes	£	2026 £	£ (restated)	2025 £ (restated)
NON-CURRENT ASSETS					
Housing Properties - Depreciated Cost	12 (a)		28,224,348		28,609,667
Other Non-current Assets	12 (b)		1,006,874		973,858
			29,231,222		29,583,525
INVESTMENTS					
Investment in Subsidiary	13		100		100
CURRENT ASSETS					
Receivables	16	373,519		397,838	
Cash at bank and in hand		3,467,208		3,191,760	
		3,840,727		3,589,598	
CREDITORS: Amounts falling due within one year	17	(1,712,067)		(1,889,859)	
NET CURRENT ASSETS			2,128,660		1,669,739
TOTAL ASSETS LESS CURRENT LIABILITIES			31,359,982		31,283,364
CREDITORS: Amounts falling due after more than one year	18		(5,886,205)		(6,586,444)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish Housing Association Pension Scheme	27		(358,000)		(382,000)
DEFERRED INCOME					
Social Housing Grants	20		(3,215,938)		(3,306,283)
NET ASSETS			**21,899,839**		**21,008,637**
EQUITY					
Share Capital	21		74		67
Revenue Reserves			21,899,765		21,008,570
			21,899,839		**21,008,637**

The Financial Statements were approved by the Board of Management, authorised for issue and signed on its behalf on 25 August 2026 by:

Name:

Signature:

F Cumming	A Cordell	
Committee Member	**Committee Member**	**Secretary**

The notes on pages 22 to 40 form part of these Financial Statements.

Statement of Cash Flows for the Year Ended 31 March 2026

	Notes	£	2026 £	£	2025 £
Net cash inflow from operating activities	19		1,767,413		2,108,982
Investing Activities					
Interest Receivable and Other Income		67,392		71,835	
Improvements to Housing Properties		(535,333)		(302,035)	
Purchase of Other Fixed Assets		(37,915)		(41,439)	
Stage 3 Medical Adaptation Grant Capitalised		-		18,182	
Proceeds on Disposal of Property, Plant and Equipment		-		-	
Net cash outflow from investing activities			(505,857)		(253,457)
Financing Activities					
Interest Payable and Similar Charges		(285,877)		(352,237)	
Loan Principal Repayments		(700,239)		(777,836)	
Share Capital Issued		7		6	
Net cash outflow from financing activities			(986,109)		(1,130,067)
(Decrease)/increase in cash			275,447		725,459
Opening Cash & Cash Equivalents			3,191,760		2,466,302
Closing Cash & Cash Equivalents			**3,467,208**		**3,191,760**
Cash and Cash equivalents as at 31 March					
Cash			**3,467,208**		**3,191,760**

The notes on pages 22 to 40 form part of these Financial Statements.

Statement of Changes in Equity as at 31 March 2026

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2024 as previously reported	61	20,884,640	20,884,640
2024 Re-statement	-	(266,044)	(266,044)
Balance as at 1 April 2024	61	20,618,596	20,578,657
Issue of Shares	6	-	6
Cancellation of Shares	-	-	-
Other comprehensive income	-	70,000	70,000
Surplus for the year	-	319,974	319,974
Balance as at 31 March 2025	**67**	**21,008,570**	**21,008,637**
Balance as at 1 April 2025	67	21,008,570	21,008,637
Issue of Shares	7	-	7
Cancellation of Shares	-	-	-
Other comprehensive income	-	46,000	46,000
Surplus for the year	-	845,195	845,195
Balance as at 31 March 2026	**74**	**21,899,765**	**21,899,839**

The notes on pages 22 to 40 form part of these Financial Statements.

Notes to the Financial Statements for the Year Ended 31 March 2026

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for social housing providers 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2015.

Going Concern

The Board of Management are continually developing and implementing mitigating actions and processes to ensure that the Association continues to function and manage future operations and those of its workforce and stakeholders. The Board of Management is satisfied of the Association's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Revenue

The Association recognises rent receivable net of losses from voids. Service Charge Income (net of voids) is recognised with expenditure as it is incurred as this is considered to be the point when the service has been performed and the revenue recognition criteria is met.

Government Grants are released to income over the expected useful life of the asset to which it relates.

Retirement Benefits

The Association participates in the Scottish Housing Associations Defined Benefit Pension Scheme where retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102. The Association also participates in the Scottish Housing Associations Defined Contribution scheme as the defined benefit scheme is closed to new members. Contributions to defined contribution plans are recognised as employee benefit expense when they are due.

Valuation Of Housing Properties

Housing Properties are stated at cost less accumulated depreciation. Housing under construction and land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 12(a). Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	**Useful Economic Life**
Bathroom	20 Years
Boiler	15 Years
External Doors	40 Years
Kitchen	15 Years
Radiators	15 Years
Roof	50 Years
Structure	60 Years
Windows	40 Years
Rewiring	40 Years

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Valuation Of Investment Properties

The investment properties are held at market value and no depreciation is therefore charged.

Depreciation and Impairment of Other Non-Current Assets

Other non-current assets costing £250 or more are capitalised and stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Asset Category	Depreciation Rate
Office Premises	2%
Furniture and Equipment	33%

The carrying value of non-current assets are reviewed for impairment at the end of each reporting period.

Social Housing Grant and Other Grants in Advance/Arrears

Social Housing Grants and Other Capital Grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which it relates.

Social Housing Grant attributed to individual components is written off to the Statement of Comprehensive Income when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the Statement of Comprehensive Income in the same period as the expenditure to which it relates.

Although Social Housing Grant is treated as a grant for accounting purposes, it may nevertheless become repayable in certain circumstances, such as the disposal of certain assets. The amount repayable would be restricted to the net proceeds of sale.

Sales Of Housing Properties
First tranche Shared Ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the Statement of Recommended Practice, disposals of subsequent tranches are treated as non-current asset disposals with the gain or loss on disposal shown in the Statement of Comprehensive Income.

Leases/Leased Assets
Costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised in the Statement of Financial Position and are depreciated over their useful lives.

Works to Existing Properties

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties
In the judgement of the Board of Management the entirety of the Association's housing stock is held for social benefit and is therefore classified as Property, Plant and Equipment in accordance with FRS 102.

b) Pension Liability
The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. This year the Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has adopted this valuation method in line with FRS102.

Financial Instruments - Basic

The Association classes all of its loans as basic financial instruments including agreements with break clauses. The Association recognises basic financial instruments in accordance with Section 11 of Financial Reporting Standard 102.

Estimation Uncertainty
The preparation of financial statements requires the use of certain accounting judgements and accounting estimates. It also requires the Board of Management to exercise judgement in applying the Association's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below.

a) Rent Arrears - Bad Debt Provision

The Association assesses the recoverability of rent arrears through a detailed assessment process which considers tenant payment history, arrangements in place and court action.

b) Life Cycle of Components

The Association estimates the useful lives of major components of its housing property with reference to surveys carried out by external qualified surveyors.

c) Useful life of properties, plant, and equipment

The Association assesses the useful life of its properties, plant and equipment and estimates the annual charge to be depreciated based on this assessment.

d) Defined pension liability

Determining the value of the Association's share of defined benefit pension scheme assets and obligations, the valuation prepared by the Scheme actuary includes estimates of life expectancy, salary growth, inflation, and the discount rate on corporate bonds.

e) Allocation of share of assets and liabilities for multi-employer schemes
Judgements in respect of the assets and liabilities to be recognised are based upon source information provided by administrators of the multi-employer pension schemes and estimations performed by the Pensions Trust.

f) Split of office premises and investment property
Part of the Aspire Business Centre, which is owned by the Association, is used by the Association for its offices with part rented out to third parties at commercial rates. Under FRS 102, the part of the building used by the Association for offices must be accounted for as a tangible fixed asset and depreciated whilst the part of the building rented out must be accounted for as an investment property and held at market value. The Management Committee have based this split on the square footage of the building with 40.8% used by the Association and 59.2% rented to third parties and thus treated as an investment property.

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM AFFORDABLE LETTING AND OTHER ACTIVITIES

	Notes	2026 Turnover £	2026 Operating Costs £	2026 Operating Surplus / (Deficit) £	2025 Turnover £	2025 Operating Costs £	2025 Operating Surplus / (Deficit) £
Affordable letting activities	3	4,867,223	3,767,402	1,099,821	4,637,560	3,581,062	1,056,499
Other Activities	4	495,349	563,715	(68,366)	276,166	339,789	(63,623)
Total		**5,362,572**	**4,331,117**	**1,031,455**	**4,913,726**	**3,920,850**	**992,875**

3. PARTICULARS OF INCOME & EXPENDITURE FROM AFFORDABLE LETTING ACTIVITIES

	General Needs Housing £	Supported Housing £	Shared Ownership £	2026 Total £	2025 Total £
Revenue from Lettings					
Rent receivable	4,661,376	75,595	21,235	4,758,206	4,553,489
Gross income from rent and service charges	4,661,376	75,595	21,235	4,758,206	4,553,489
Less: Rent losses from voids	(12,816)	-	-	(12,816)	(8,092)
Net Rents Receivable	4,648,560	75,595	21,235	4,745,390	4,545,397
Grants released from deferred income	89,089	-	1,256	90,345	90,345
Other revenue grants	31,488	-	-	31,488	1,818
Total turnover from affordable letting activities	4,769,137	75,595	22,491	4,867,223	4,637,560
Expenditure on affordable letting activities					
Management and maintenance administration costs	1,890,667	1,057	529	1,892,253	1,781,196
Planned and cyclical maintenance, including major repairs	210,052	-	3,650	213,702	147,347
Reactive maintenance costs	720,125	-	-	720,125	741,344
Bad Debts - rents and service charges	20,669	-	-	20,669	12,298
Depreciation of affordable let properties	908,997	8,036	3,620	920,653	898,877
Operating costs of affordable letting activities	3,750,510	9,093	7,799	3,767,402	3,581,062
Operating surplus on affordable letting activities	**1,018,627**	**66,502**	**14,692**	**1,099,821**	**1,056,499**
2025	**1,014,807**	**26,233**	**15,459**		

4. PARTICULARS OF REVENUE, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES

	Grants from Scottish Ministers	Other Revenue Grants	Other Income	Total Turnover	Operating Costs	Operating Surplus / (Deficit) 2026	Operating Surplus / (Deficit) 2025
			£	£	£	£	£
Commercial activities	-	-	90,195	90,195	98,789	(8,594)	1,237
Factoring	-	-	397,942	397,942	456,784	(58,842)	(57,310)
Wider role activities	-	-	-	-	8,142	(8,142)	(8,050)
Management charge to subsidiary	-	-	500	500	-	500	500
Other Income	-	-	6,712	6,712	-	6,712	
Total From Other Activities	**-**	**-**	**495,349**	**495,349**	**563,715**	**(68,366)**	**(63,623)**
2025	**-**	**-**	**276,166**	**276,166**	**339,789**	**(63,623)**	

5. OFFICERS' EMOLUMENTS

The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board of Management, managers, and employees of the Association.	2026 £	2025 £
Aggregate Emoluments payable to Officers with Emoluments greater than £60,000 (excluding Pension Contributions)		
Gross Pay	173,636	259,126
Employer's National Insurance	24,004	28,793
Total	197,640	287,919
Pension contributions made on behalf of Officers with emoluments greater than £60,000	23,098	34,179
Emoluments payable to Directors (excluding pension contributions)		
Gross Pay	98,321	81,802
Employer's National Insurance	13,925	10,033
Total	112,245	91,835
Total Emoluments paid to key management personnel		
Gross Pay	261,765	250,770
Employer's National Insurance	36,155	29,276
Employer Pension Contributions	35,029	36,557
Total	332,949	316,602

The full time equivalent number of staff who received remuneration (excluding employer pension contributions) greater than £60,000 (including the executive team):

	Number	Number
£60,001 to £70,000	3	3
£70,001 to £80,000	-	-
£90,001 to £100,000	-	1
£100,001 to £110,000	-	-

6. EMPLOYEE INFORMATION

	2026 No.	2025 No.
The average monthly number of full time equivalent persons employed during the year was:	17	17
The average total number of Employees employed during the year was:	20	17
Staff Costs were:	£	£
Wages and Salaries	839,010	751,089
Social Security Costs	98,661	72,963
Other Pension Costs	106,294	86,824
Temporary, Agency and Seconded Staff	92,169	58,391
	1,136,135	921,137

7. INTEREST RECEIVABLE & OTHER INCOME

	2026	2025
	£	£
Interest receivable on deposits	63,812	63,221
Interest receivable on loan to subsidiary	3,580	8,614
	67,392	71,835

8. INTEREST PAYABLE & SIMILAR CHARGES

	2026	2025
	£	£
On Bank Loans	(263,878)	(331,237)

9. SURPLUS FOR THE YEAR

	2026	2025
Surplus For The Year of £845,195 is stated after charging/(crediting):	£	£
Depreciation - Tangible Owned Fixed Assets	919,757	928,475
Auditors' Remuneration - Audit Services	19,560	18,360
Operating Lease Rentals - Other	9,021	17,782

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

The Association is a Registered Scottish Charity and is not liable to United Kingdom Corporation Tax on its charitable activities.

11. OTHER FINANCE INCOME / CHARGES

	2026	2025
	£	£
Defined Benefit Pension (costs)/income Recognised in SOCI	(22,000)	(21,000)

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Shared Ownership Completed £	Total £
COST			
As at 1 April 2025	35,780,338	206,425	35,986,763
Additions	531,918	3,451	535,369
Disposals	(69,619)	-	(69,619)
As at 31 March 2026	36,242,637	209,876	36,452,513
DEPRECIATION			
As at 1 April 2025	7,282,302	94,794	7,377,096
Charge for Year	879,014	3,619	882,633
Disposals	(31,564)	-	(31,564)
As at 31 March 2026	8,129,752	98,413	8,228,165
NET BOOK VALUE			
As at 31 March 2026	28,112,885	111,463	28,224,348
As at 31 March 2025	28,498,036	111,631	28,609,667

Additions to housing properties include capitalised major repair costs to existing properties of £535,569 (2025: £302,035).

All land and housing properties are heritable.

Total expenditure on existing properties in the year amounted to £1,252,478 (2025: £970,466). This includes the amount capitalised for component additions of £535,569 (2025: £302,035).

The Association's Lenders have standard securities over Housing Property with a carrying value of £20,140,000 (2025: £22,731,431).

12. NON CURRENT ASSETS (Continued)

(b) Other Tangible Assets	Office Premises £	Investment Properties £	Furniture and Equipment £	Total £
COST				
As at 1 April 2025	383,520	683,980	179,893	1,247,393
Additions	-	-	37,914	37,914
Disposals	-	-	-	-
Revaluation	-	-	-	-
As at 31 March 2026	383,520	683,980	217,807	1,285,307
AGGREGATE DEPRECIATION				
As at 1 April 2025	124,270	-	149,264	273,535
Charge for year	7,671	-	29,453	37,124
Disposals	(32,226)	-	-	(32,266)
As at 31 March 2026	99,715	-	178,717	278,433
NET BOOK VALUE				
As at 31 March 2026	283,805	683,980	39,090	1,006,874
As at 31 March 2025	259,250	683,980	30,628	973,858

The fair value, as at 31 March 2026, of the Aspire Business Centre was £940,000 (2025: £940,000). This is based on a valuation performed by DM Hall on 31 January 2025. 40.8% of the Aspire Business Centre is used by the Association and is accounted for as office premises at historic (deemed) cost. The remaining 59.2% of the Aspire Business Centre is available for rent to 3rd parties and is accounted for as an investment property. The investment properties balance also includes £32,500 for 1 shop (2025: 1 shop at £32,500) and £95,000 for 35 lockups (2025: 35 lockups at £95,000). The shops and lockups were valued by JLL on 31 January 2025.

13. INVESTMENT IN SUBSIDIARY

	2026 £	2025 £
Shares in subsidiary company	100	100

Aspire Community Development Company Limited is a wholly owned subsidiary which was incorporated in Great Britain on 27 August 1999 and is registered in Scotland. The 2025-26 subsidiary company accounts show a loss for the year of £231,459 (2025: loss of £31,050) and net assets of £289,763 (2025: £255,178).

14. CAPITAL COMMITMENTS

	2026 £	2025 £
Capital Expenditure that has been contracted for but has not been provided for in the Financial Statements	195,770	219,057

The above commitments will be financed by the Association's own resources.

15. COMMITMENTS UNDER OPERATING LEASES

At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:	2026 £	2025 £
Other		
Not later than one year	9,021	13,159
Later than one year and not later than five	3,360	2,772

16. RECEIVABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026 £	2025 £ (restated)
Arrears of Rent & Service Charges	102,481	76,327
Less: Provision for Doubtful Debts	(30,093)	(20,354)
	72,388	55,973
Amounts Due From Subsidiary	76,658	81,565
Other Receivables	224,473	260,300
	373,519	397,838

17. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026 £	2025 £
Housing Loans	684,586	684,586
Trade Payables	132,931	56,820
Rent Received in Advance	223,547	202,087
Accruals and Deferred Income	60,724	346,446
Other Payables	610,279	599,921
	1,712,067	1,889,859

At 31 March 2026, there were pension contributions outstanding of £nil (2025: £Nil).

18. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2026 £	2025 £
Housing Loans	5,886,205	6,586,444
Housing Loans		
Amounts due within one year	684,586	684,586
Amounts due in one year or more but less than two years	547,744	694,852
Amounts due in two years or more but less than five years	2,907,658	3,082,295
Amounts due in more than five years	2,430,803	2,809,298
	6,570,791	7,271,030
Less: Amount shown in Current Liabilities	(684,586)	(684,586)
	5,886,205	6,584,444

18. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

The Association has a number of long-term housing loans, the terms and conditions of which are as follows:

Lender	Number of Properties Secured	Effective Interest Rate	Maturity (Year)	Variable / Fixed
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 0.75%	2027	Variable
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 0.75%	2027	Variable
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 1.75%	2029	Variable
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 1.93%	2028	Variable
Nationwide Building Society	Standard security over Standard security over 125 properties	Base + 0.5%	2028	Variable
Nationwide Building Society	Standard security over Standard security over 125 properties	Base + 0.7%	2034	Variable
Nationwide Building Society	Standard security over Standard security over 125 properties	Base + 0.7%	2034	Variable
Royal Bank of Scotland	Standard security over Standard security over 249 properties	2.3832%	2040	Fixed
Royal Bank of Scotland	Standard security over Standard security over 249 properties	Base + 1.571%	2027	Variable
Royal Bank of Scotland	Standard security over Standard security over 249 properties	2.557%	2027	Fixed
Royal Bank of Scotland	Standard security over Standard security over 249 properties	2.610%	2030	Fixed
Virgin Money	Standard security over Standard security over 112 properties	Base + 0.45%	2027	Variable
Virgin Money	Standard security over Standard security over 112 properties	Base + 0.45%	2034	Variable

All of the Association's loans are repayable on a monthly or quarterly basis with the principal being amortised over the term of the loans except for one Bank of Scotland and two Royal Bank of Scotland loans which have bullet repayments, the intention of the Association is to refinance these loans in advance of the bullet repayments falling due.

19. STATEMENT OF CASH FLOWS

Reconciliation of surplus for the year to net cash inflow from operating activities	**2026**	**2025**
	£	**£**
Operating Surplus for the year	1,013,575	992,875
Amortisation of Capital Grants	(90,345)	(90,345)
Depreciation	919,757	928,475
Loss on disposal of components	38,019	-
Change in debtors	24,319	54,837
Change in stock	-	-
Change in creditors	(155,912)	223,140
SHAPS Past Service Deficit Contribution Paid	-	-
Share Capital Written Off	-	-
Net cash inflow from operating activities	1,767,413	1,474,631

Analysis of Changes in Net Debt	**2025**	**Cash flows**	**Non-cash changes**		**2026**
	£	**£**	**Finance leases**	**Other changes**	**£**
Long-term borrowings	(6,586,444)	700,239	-	-	(5,886,205)
Short-term borrowings	(684,586)	-	-	-	(684,586)
Total liabilities	(7,271,030)	700,239	-	-	(6,586,444)
Cash and cash equivalents	3,191,760	275,447	-	-	3,467,208
Total net debt	(4,079,269)	975,686	-	-	(3,119,236)

20. DEFERRED INCOME

	Housing Properties Held for Letting £	Shared Ownership Completed £	Total £
Social Housing Grants			
As at 1 April 2025	3,780,605	75,363	3,855,968
Additions	-	-	-
Eliminated on disposal of components and property	-	-	-
As at 31 March 2026	3,780,605	75,363	3,855,968
Amortisation			
As at 1 April 2025	516,400	33,285	549,685
Amortisation in year	89,089	1,256	90,345
Eliminated on disposal	-	-	-
As at 31 March 2026	605,489	34,541	640,030
Net book value			
As at 31 March 2026	3,175,116	40,822	3,215,938
As at 31 March 2025	3,264,205	42,078	3,306,283

This is expected to be released to the Statement of Comprehensive Income in the following years:

	2026 £	2025 £
Amounts due within one year	90,345	89,436
Amounts due in one year or more	3,215,938	3,289,011
	3,306,283	3,378,447

21. SHARE CAPITAL

Shares of £1 each Issued and Fully Paid	2026 £	2025 £
As at 1 April 2025	67	61
Issued in year	12	6
Cancelled in year	5	1
As at 31 March 2026	74	67

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

22. HOUSING STOCK

	2026 No.	2025 No.
The number of units of accommodation in management at the year-end was:		
General Needs	873	873
Shared Ownership	8	8
Supported Housing	2	2
	883	883

Housing Units owned by the Association and leased to another body:

Name of Organisation		
The Richmond Fellowship Scotland Limited	1	1
SRS Care Solutions Limited	1	1
	2	2

23. RELATED PARTY TRANSACTIONS

Board of Management

Members of the Board of Management are related parties of the Association as defined by Financial Reporting Standard 102.

Any transactions between the Association and any entity with which a Board of Management member has a connection with is made at arm's length and is under normal commercial terms.

Transactions with Board of Management members (and their close family) were as follows:

	2026 £	2025 £
Rent received from tenants on the Board of Management and their close family members	38,665	44,311
Income received from factored owners on the Board of Management and their close family members	2,253	871

At the year-end total rent arrears owed by the tenant members on the Board of Management (and their close family) were £nil (2025: £nil).

At the year-end total arrears owed by the factored owner members on the Board of Management (and their close family) were £265 (2025: £177).

	2026	2025
Members of the Board of Management who are tenants	6	6
Members of the Board of Management who are factored owners	0	1

Aspire Community Development Company Limited

Aspire Community Development Company Limited ('Aspire') is a wholly owned subsidiary of Rutherglen and Cambuslang Housing Association Limited ('the Association').

The Association rented out rooms in the Caledonian Centre in the year, generating income of £nil (2025: £nil) for Aspire.

23. RELATED PARTY TRANSACTIONS (continued)

Management charges of £500 (2025: £500) were recharged to Aspire by the Association for services rendered by the Director of the Association in respect of Aspire.

£6,013 (2025: £6,636) of insurance costs incurred by the Association in relation to the Caledonian Centre were recharged to Aspire.

Aspire reimbursed the Association for invoices paid on its behalf totalling £nil (2025: £233).

At 31 March 2026, £76,658 (2025 as restated: £81,565) was owed to the Association from Aspire. Details of the prior year restatement are included in note 28.

£3,580 (2025: £8,614) in interest was charged by the Association on the balance due from Aspire, this has reduced during the period due to the reduction in the intercompany loan balance.

Aspire also made loan repayments to the Association of £15,000 (2025: £15,233).

24. DETAILS OF ASSOCIATION

The Association is a Registered Society registered with the Financial Conduct Authority and is domiciled in Scotland.

The Association's principal place of business is Aspire Business Centre, 16 Farmeloan Road, Rutherglen, South Lanarkshire, G73 1DL.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in Rutherglen and Cambuslang.

25. BOARD OF MANAGEMENT MEMBER EMOLUMENTS

Board of Management members received £447 (2025: £71) in the year by way of reimbursement of expenses. No remuneration is paid to Board of Management members in respect of their duties to the Association.

26. SHAPS PENSION PROVISION

	2026	2025
	£	£
As at 1 April 2025	(382,000)	(431,000)
Decrease/(increase) in Provision	24,000	49,000
Balance as at 31 March 2026	(358,000)	(382,000)

The pension provision is equal to the deficit in the plan, arrived at by deducting the present value of defined benefit obligation from the fair value of plan assets – as detailed at note 27.

In the year to 31 March 2026, the deficit in the plan has increased due to the impact of actuarial losses on the defined benefit obligation.

27. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Associations' Pension Scheme

Rutherglen and Cambuslang Housing Association Limited participates in the Scottish Housing Associations' Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK.

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2021. This valuation revealed a deficit of £27m. A Recovery Plan was put in place to eliminate the deficit which ran to 30 September 2022. The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive. The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset (liability)

	2026 £000	2025 £000
Fair value of plan assets	2,822	2,836
Present value of defined benefit obligation	3,180	3,218
Surplus (deficit) in plan	(358)	(382)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(358)	(382)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	(358)	(382)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	2026 £000	2025 £000
Defined benefit obligation at start of period	3,218	3,552
Current service cost	-	-
Expenses	5	6
Interest expense	184	171
Member contributions	-	-
Actuarial losses (gains) due to scheme experience	(81)	44
Actuarial losses (gains) due to changes in demographic assumptions	31	-
Actuarial losses (gains) due to changes in financial assumptions	(41)	(431)
Benefits paid and expenses	(136)	(124)
Liabilities acquired in a business combination	-	-
Liabilities extinguished on settlements	-	-
Losses (gains) on curtailments	-	-
Losses (gains) due to benefit changes	-	-
Exchange rate changes	-	-
Defined benefit obligation at end of period	3,180	3,218

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	2026 £000	2025 £000
Fair value of plan assets at start of period	2,836	3,121
Interest income	162	150
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(45)	(317)
Employer contributions	5	6
Member contributions	-	-
Benefits paid and expenses	(136)	(124)
Assets acquired in a business combination	-	-
Assets distributed on settlements	-	-
Exchange rate changes	-	-
Fair value of plan assets at end of period	-	-
Fair value of plan assets at start of period	2,822	2,836

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2025 to 31 March 2026 was (£167,000).

Defined Benefit Costs Recognised in Statement of Comprehensive Income (SOCI)

	2026 £	2025 £
Current Service Cost	-	-
Expenses	5	6
Net Interest Expense	22	21
Losses (Gains) on Business Combinations	-	-
Losses (Gains) on Settlements	-	-
Losses (Gains) on Curtailments	-	-
Losses (Gains) due to Benefit Changes	-	-
Defined Benefit Costs Recognised in Statement of Comprehensive Income (SOCI)	27	27

Defined benefit costs recognised in Other Comprehensive Income (OCI)

	2026 £	2025 £
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(45)	(317)
Experience gains and losses arising on the plan liabilities - gain (loss)	81	(44)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(31)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	41	431
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	46	70
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-	-
Total amount recognised in Other Comprehensive Income - gain (loss)	46	70

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Actuarial gain/(loss) is a non-cash item that occurs due to changes in actuarial assumptions used by The Pensions Trust (TPT) for the Scottish Housing Associations' Pension Scheme (SHAPS). This figure can be subject to significant change year on year.

Fair Value of Scheme Assets

	2026 £000	2025 £000
Global Equity	373	328
Absolute Return	-	-
Distressed Opportunities	-	-
Credit Relative Value	-	-
Alternative Risk Premia	-	-
Liquid Alternatives	540	522
Emerging Markets Debt	-	-
Risk Sharing	-	-
Insurance-Linked Securities	5	11
Property	147	140
Infrastructure	-	1
Private Equity	6	2
Real Assets	280	338
Private Debt	-	-
Opportunistic Illiquid Credit	-	-
Private Credit	364	354
Credit	129	121
Investment Grade Credit	118	130
High Yield	-	-
Opportunistic Credit	-	-
Cash	1	15
Corporate Bond Fund	-	-
Long Lease Property	-	1
Secured Income	38	66
Over 15 Year Gilts	-	-
Liability Driven Investment	779	798
Currency Hedging	-	5
Net Current Assets	42	4
Total Assets	2,822	2,836

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.

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Key Assumptions

	2026	2025
	% p.a.	% p.a.
Discount Rate	6.08%	5.85%
Inflation (RPI)	3.31%	3.09%
Inflation (CPI)	3.03%	2.79%
Salary Growth	4.03%	3.79%
Allowance for commutation of pension for cash at retirement (% of maximum allowance)	75%	75%

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies at age 65:

	2026	2025
	Years	Years
Male retiring in-year	20.7	20.2
Female retiring in-year	22.9	22.7
Male retiring in 30 years	21.9	21.5
Female retiring in 30 years	24.4	24.2

Review of Historic Scheme Benefit Changes

During 2022/23, the Association was advised that following the triennial valuation no further deficit contribution would be required at this time and as from October 2022, we have stopped paying additional amounts. The next triennial valuation will be undertaken September 2024, following which the actuary will project the liabilities and funding position for the pension fund. Until this is complete it is uncertain what the requirement will be in terms of funding any further deficit position. The position regarding any future deficit payment requirements, if required, is unlikely to be know before September 2025 with any payments, if due, commencing April 2026. Based on the current market movements it is anticipated that there is a likelihood that further contributions from employers will be required, however it is not possible to calculate the impact of this issue with any accuracy beyond the provision for £431,000 which has been made based on the accounting requirements.

In May 2021 the Scheme Trustee (TPT Retirement Solutions) notified employers of a review of historic scheme benefit changes, and this review has raised legal questions regarding whether and when some historic benefit changes should take effect, the outcome of which could give rise to an increase in liabilities for some employers. The Scheme Trustee has determined that it is prudent to seek clarification from the Court on these items, and a date for this has now been set for 2025.

On 4 May 2022, the Scheme Trustee issued an update to employers which included an estimate of the potential additional liabilities at the full scheme level, on a Technical Provisions basis. However, until Court directions are received, it is not possible to calculate the impact on an individual employer basis with any accuracy. As a result of this, no provision will be made for the potential additional liabilities within the financial statements or the related accounting disclosures included in this note.

28. PRIOR PERIOD RESTATEMENT

During the year, it was identified that intercompany balances with Aspire Community Development Company were overstated in prior periods. The balances related to a historic property transaction undertaken in 2013/14, in which a building was sold by the subsidiary to the parent undertaking.

Following a review of the available information, it was concluded that, at the time of the transaction, part of the intercompany balance was not fully cleared when the property was transferred. This resulted in the intercompany position being overstated in the individual financial statements of the relevant entities in subsequent periods.

The prior year figures have therefore been restated to correct this error. In the Rutherglen and Cambuslang Housing Association financial statements, this has resulted in a reduction in intercompany debtors and a corresponding reduction in reserves of £266,044 at 31/03/2025. The comparative figures have been restated accordingly.