Registered Housing Association No. HAC214
FCA Reference No. 2326R(S)
Scottish Charity No. SC037681

GARDEEN HOUSING ASSOCIATION LIMITED

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2026

GARDEEN HOUSING ASSOCIATION LIMITED

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2026

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GARDEEN HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS

For the year ended 31 March 2026

MANAGEMENT COMMITTEE

C Brewer	Chairperson
K Bavidge	Vice Chair
S Lack	Treasurer
M Smith	Secretary
C Brown	
F Bowman	
M McDevitt	
D McMaster	
R O'Malley	
S Johnson	
M Leat	
T Teklu	Appointed November 2025
R Cowan	Resigned April 2025

EXECUTIVE OFFICERS

Lyndsay Moffatt	Director	Appointed October 2025
Roslyn Crawford	Director	Retired October 2025

REGISTERED OFFICE

32 Garlieston Road
Barlanark
Glasgow
G33 4UD

EXTERNAL AUDITORS

CT Audit Limited
Chartered Accountants and
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

INTERNAL AUDITORS

Wbg
Chartered Accountants
168 Bath St
Glasgow
G2 4TP

BANKERS

Royal Bank of Scotland
1304 Duke Street
Glasgow
G31 5PZ

SOLICITORS

BTO
48 St Vincent Street
Glasgow
G2 5HS

SOLICITORS

Kelly & Co
184 Abercromby Street
Glasgow
G40 2RZ

SOLICITORS

T C Young
7 West George Street
Glasgow
G2 1BA

GARDEEN HOUSING ASSOCIATION LIMITED

REPORT of the MANAGEMENT COMMITTEE

For the year ended 31 March 2026

The Management Committee presents its report and the Financial Statements for the year ended 31 March 2026.

Legal Status
Gardeen Housing Association Limited is a registered non-profit making organisation under the Co- operative and Community Benefit Societies Act 2014 No.2326R(S). The Association is governed under its Rule Book. The Association is a registered Scottish Charity with the charity number SC037681.

Principal Activities
The principal activities of the Association are the provision and management of affordable rented accommodation.

Review of Business and Future Developments
The Management Committee of Gardeen Housing Association has faced a challenging year due to increased costs which continues to impact on Gardeen tenants who face higher food and energy costs and our contractors who face higher fuel and National Insurance costs. Internal Audit focused on tenant safety to ensure compliance with new legislation in relation to managing reports of mould, dampness and/or condensation. Following the retiral of the Director in 2025, the Management Committee successfully recruited for the posts of Director and Property Services Assistant.

The collection of rental income and management of voids remains a key focus for Gardeen Housing Association. The Association has performed well in these areas when compared to our peers. Rent arrears and void re-let times remain low and our homes are popular with over 1,200 applicants on our housing register. There continues to be reduced turnover with only 4 properties becoming vacant in 2025-2026.

The Management Committee have instructed a governance review to provide the Management Committee with external assurance. The Association is working towards cyber essentials accreditation.

The Management Committee remains committed to providing a costed programme of planned maintenance and improvements. A successful replacement kitchen contract was completed during 2025-2026. Some front door replacements were carried out to reduce energy costs for tenants. The independent stock condition survey completed in early 2024 assist the Management Committee in the development of the costed planned maintenance programme. Independent advice is also obtained from D.A. Gilmour.

The Management Committee are focused on providing a local service to tenants, owners and applicants.

A new Business Plan for 2024-2027 was approved in June 2024 with refreshed financial projections. This was reviewed in 2025, and a further business planning event is scheduled for June 2026.

A bespoke energy database has been developed with Alembic Research ahead of the guidance awaited on net zero. The grant-funded energy adviser the Associations shares with Calvay HA remains popular and appointments are fully booked most weeks.

The members of the Management Committee are pleased to confirm that the state of the financial affairs of Gardeen Housing Association is satisfactory. Prior to adjustments arising from the pension scheme, the surplus for the year was £175k.

However, pension adjustments of £71k resulted in a surplus of £246,488, compared to £157,490 surplus in 2025. The surplus this year is as a result of adjustments to recognise the specific liability that the Association has as a member of the SHAPS multi-employer pension scheme.

The Management Committee notes that the Association shows a satisfactory position with net assets of £2.99m.

The Management Committee has also complied with all Scottish Housing Regulator, OSCR and FCA requirements.

Structure, governance and management
The Association is controlled by a Management Committee. The members of the Management Committee and the Executive Officers are listed on Page 2.

Each member of the Management Committee holds one fully paid share of £1 in the Association. The Executive Officers 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 Management Committee.

The members of the Management Committee are also Trustees of the Charity. Members of the Management Committee are appointed by the members at the Association's Annual General Meeting.

Risk management
The Association has an active risk management process, with policies, risk register and a business continuity plan. All major risks are considered so mitigating action can be planned.

Key risks include: Internal risks - loss of key staff or committee personnel, governance failures, fraud, health & safety failures; and these are mitigated by robust policies, procedures, and a range of audits. External risks include: - loss of rental income, increasing costs, changes in regulatory requirements, data loss/cyber-security issues and these are mitigated by close attention to external information and advice, active membership of representative bodies and obtaining best practice advice on IT security and data protection matters. The Association is working towards Cyber Essentials accreditation.

Maintenance policies
The Association aims to maintain its properties to a high standard. To this end programmes of cyclical maintenance are carried out alongside programmes of major repairs to cover for such works. Key identified components are capitalised when replaced.

Treasury management
The Association, as a matter of policy, does not enter into transactions of a speculative nature. The surplus funds are managed carefully using long established banks or building societies. Committee members attend treasury management training on an annual basis.

Equalities
Application forms for employment comply with all equalities legislation and information is collected on the protected characteristics in line with EVH best practice. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

Training
The Committee members are aware of their responsibilities and have undertaken a range of training to ensure that they have the updated skills to make decisions in the best interests of the Association. Training has included recruitment, the Employment Rights Act 2025, equalities and human rights, insurance and risk and regulation. Each Committee member undertakes an annual review to discuss and plan training requirements.

Reserves
The Association needs to have reserves to ensure the organisation can function into the future and meet its future liabilities, including the major repairs and investment needs of its properties. The revenue reserve of £2.99m reflects primarily the past investment in the housing stock and reserves for future major repairs. The Association has a cash level of £703k to support its future plans and operating requirements. The Association reviews its maintenance spending plans regularly and re-assesses them in relation to reserves and cash flows.

Statement of Management Committee's Responsibilities
The Co-operative and Community Benefit Act 2014 require the Management Committee 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 Management Committee 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;
- prepare a statement on Internal Financial Control.

The Management Committee 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 Determination of Accounting Requirements – 2024. 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.

Disclosure of information to the auditor
To the knowledge and belief of each of the persons who are members of the Management Committee at the time the report is approved:

- there is no relevant audit information (information needed by the Association's auditors in connection with preparing their report) of which the Association's auditors are unaware, and
- the Management Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Donations
During the year the Association made charitable donations amounting to £600 (2025 - £750).

The Report of the Management Committee has been approved on behalf of the Management Committee by

[redacted]

M SMITH
Secretary

Date: 10/08/2026

REPORT of the MANAGEMENT COMMITTEE (continued)

For the year ended 31 March 2026

Statement on Internal Financial Control

The Management Committee 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 Management Committee'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 the:

- 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 Management Committee 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 Management Committee;
- the Management Committee 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;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Management Committee 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.

BY ORDER OF THE MANAGEMENT COMMITTEE



M SMITH
Secretary

Date: 10/08/2026

REPORT by the AUDITORS to the MEMBERS OF

GARDEEN HOUSING ASSOCIATION LIMITED on

CORPORATE GOVERNANCE MATTERS

In addition to our audit of the Financial Statements, we have reviewed your statement on page 6 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements relating to corporate governance matters within Bulletin 2006/5 issued by the Auditing Practices Board. 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 reasons given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on page 6 has provided the disclosures required by the relevant Regulatory Standards within the publication 'Our Regulatory Framework' and associated Regulatory Advice 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 enquiry of certain members of the Management Committee, and Officers of the Association, and examination of relevant documents, we have satisfied ourselves that the Management Committee's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls within the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

[redacted]

CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Date: 10/8/26

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

GARDEEN HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Gardeen Housing Association Limited (the 'Association') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and 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 Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 financial statements, we have concluded that the Management Committee'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 about 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 Management Committee with respect of going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Management Committee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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;
- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation;
- 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 Management Committee
As explained more fully in the Statement of Management Committee's Responsibilities as set out on page 5, the Management Committee 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 Management Committee 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 Management Committee is 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 Management Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

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 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.

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 Management Committee 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, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. 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.

[redacted]

CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Date: 10/8/26

GARDEEN HOUSING ASSOCIATION LIMITED

STATEMENT of COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes		2026		2025
		£	£	£	£
Revenue	2		1,530,791		1,504,934
Operating Costs	2		(1,335,892)		(1,355,680)
Operating surplus			194,899		149,254
Interest receivable and other income		15,244		25,565	
Interest payable and similar charges	7	(22,655)		(32,329)	
Other Finance Charges		(12,000)		(11,000)	
			(19,411)		(17,764)
Surplus before other comprehensive income			175,488		131,490
Other Comprehensive Income					
Actuarial gains in respect of pension scheme	21		71,000		26,000
Surplus for the year	8		246,488		157,490

All amounts relate to continuing operations.

The financial statements were approved by the management Committee and authorised for issue and signed on their behalf on 06/08/2026.

[redacted]

Chairperson – C Brewer

Treasurer – S Lack

Secretary – M Smith

The notes on pages 15 to 27 form part of these financial statements

GARDEEN HOUSING ASSOCIATION LIMITED

STATEMENT of FINANCIAL POSITION

As at 31 March 2026

	Notes	£	2026 £	£	2025 £
Non-current assets					
Housing properties – depreciated cost	10(a)		7,739,125		7,874,049
Other non-current assets	10(b)		81,569		87,964
			7,820,694		7,962,013
Current assets					
Receivables	11	45,249		35,708	
Cash at bank and in hand		703,009		755,829	
		748,258		791,537	
Creditors: amounts falling due within one year	12	(246,385)		(240,178)	
Net current assets			501,873		551,359
Total assets less current liabilities			8,322,567		8,513,372
Creditors: amounts falling due after more than one year	13		(463,852)		(637,007)
Deferred income					
Social Housing grants	15		(4,870,156)		(5,134,292)
Net assets			2,988,559		2,742,073
Equity					
Share capital	16		68		70
Revenue reserves			2,988,491		2,742,003
			2,988,559		2,742,073

The financial statements were approved by the management Committee and authorised for issue and signed on their behalf on 06/08/2026.

[redacted]

Chairperson – C Brewer

Treasurer – S Lack

Secretary – M Smith

The notes on pages 15 to 27 form part of these financial statements.

GARDEEN HOUSING ASSOCIATION LIMITED

STATEMENT of CASH FLOWS

For the year ended 31 March 2026

	Notes		2026		2025
		£	£	£	£
Net cash inflow from operating activities	14	357,737		311,630	
Investing activities					
Acquisition and construction of properties		(305,938)		(446,089)	
Purchase of other fixed assets		(1,752)		-	
Net cash outflow from investing activities			(307,690)		(446,089)
Financing activities					
Interest received on cash and cash equivalents		15,244		25,565	
Interest paid on loans		(22,655)		(32,329)	
Loan principal repayments		(95,454)		(104,496)	
Share capital issues		3		1	
Share capital cancelled		(5)		(5)	
Net cash outflow from financing activities			(102,867)		(111,264)
Decrease in cash			(52,820)		(245,723)
Opening cash and cash equivalents			755,829		1,001,552
Closing cash and cash equivalents			703,009		755,829
Cash and cash equivalents as at 31 March					
Cash			703,009		755,829

Analysis of Changes in Net Debt

		Non-cash Changes			
	2025	Cash Flows	Finance Leases	Other Changes	2026
	£	£	£	£	£
Long-term borrowings	(423,007)	114,155	-	-	(308,852)
Short-term borrowings	(84,219)	(18,702)	-	-	(102,921)
Total liabilities	(507,226)	95,453	-	-	(411,773)
Cash and cash equivalents	755,829	(52,820)	-	-	703,009
Total net debt	248,603	42,633			291,236

The notes on pages 15 to 27 form part of these financial statements.

GARDEEN HOUSING ASSOCIATION LIMITED

STATEMENT of CHANGES IN EQUITY

As at 31 March 2026

	Share Capital £	Revenue Reserve £	Total £
Balance as at 1 April 2025	70	2,742,003	2,742,073
Issue of shares	3	-	3
Cancellation of shares	(5)	-	(5)
Surplus for the year	-	246,488	246,488
Balance as at 31 March 2026	68	2,988,491	2,988,559

	Share Capital £	Revenue Reserve £	Total £
Balance as at 1 April 2024	74	2,584,513	2,584,587
Issue of shares	1	-	1
Cancellation of shares	(5)	-	(5)
Surplus for the year	-	157,490	157,490
Balance as at 31 March 2025	70	2,742,003	2,742,073

1. Principal accounting policies

Statement of Compliance
The financial statements of have been prepared in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS102) (United Kingdom Generally Accepted Accounting Practice), the Housing SORP 2018 'Statement of Recommended Practice for Registered Housing Providers' and they comply with the Determination of Accounting Requirements 2024, and under the historical cost convention, modified to include certain financial instruments at fair value.

The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102. These financial statements represent the results of the Association only and are presented in Pounds Sterling (GBP).

Going concern
The Management Committee anticipate that a surplus will be generated in the year to 31 March 2027. The Association has healthy cash and net current asset position and thus the Management Committee are satisfied that there are sufficient resources in place to continue operating for the foreseeable future. The Management Committee continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Revenue
The Association recognises rent receivable net of losses from voids.

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' Pension Scheme (SHAPS) and retirement benefits to employees of the Association are funded by 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 Associations taken as a whole.

It has become possible to identify the share of underlying assets and liabilities belonging to individual participating employers and the scheme is now accounted for as a defined benefit plan, as opposed to defined contribution, for the benefit of its employees. No new benefits have been introduced and there is no change to the benefits themselves.

A liability for the Association's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

1. Principal accounting policies (continued)

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 10. 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
Roofs	50 years
Structure	50 years
Electrics	40 years
Doors	30 – 35 years
Windows	30 years
Radiators	26 years
Bathrooms	25 years
Kitchens	15 years
Boilers	13 years

Depreciation and Impairment of Other Non-Current Assets
Non-current Assets are 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	over 30 years
Office Equipment	20% straight line

The carrying values 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 they relate.

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.

Taxation
The Association is a Registered Scottish Charity and is not liable to taxation on its charitable activities.

1. Principal accounting policies (continued)

Estimation Uncertainty
The preparation of financial statements requires the use of certain accounting estimates. It also requires the Management Committee 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.

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.

Capitalisation of Development Overheads
Directly attributable development administration costs relating to development activities are capitalised in accordance with the Statement of Recommended Practice.

Development Interest
Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme.

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties
In the judgement of the Management Committee 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) Identification of cash generating units
The Association considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.

c) Financial instrument break clauses
The Association has considered the break clauses attached to the financial instruments that it has in place for its loan funding. In the judgement of the Management Committee, these break clauses do not cause the financial instrument to be classified as a complex financial instrument and therefore they meet the definition of a basic financial instrument.

d) Pension Liability
This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

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.

The Association's debt instruments are measured at amortised cost using the effective interest rate method.

2. Particulars of turnover, operating costs and operating surplus or deficit from affordable letting and other activities

	Turnover £	Operating Costs £	2026 Operating surplus/ (deficit) £	Turnover £	Operating Costs £	2025 Operating surplus/ (deficit) £
Affordable letting activities (note 3)	1,529,668	1,331,073	198,595	1,503,851	1,354,933	148,918
Other activities (note 4)	1,123	4,819	(3,696)	1,083	747	336
	1,530,791	1,335,892	194,899	1,504,934	1,355,680	149,254

3. Particulars of income and expenditure from affordable letting activities

	General Housing Needs 2026 £	General Housing Needs 2025 £
Revenue from lettings		
Rent receivable	1,238,174	1,192,848
Gross income from rent and service charges	1,238,174	1,192,848
Less: Rent losses from voids	(797)	(266)
Net rents receivable	1,237,377	1,192,582
Grants released from deferred income	264,135	275,071
Other revenue grants	28,156	36,198
Total turnover from affordable letting activities	1,529,668	1,503,851
Expenditure on affordable letting activities		
Management and maintenance administration costs	527,064	568,085
Estate costs	87,109	69,700
Planned and cyclical maintenance including major repairs	135,623	133,342
Reactive maintenance costs	140,244	148,967
Bad debts – rents and service charges	171	(126)
Depreciation of affordable let properties	440,862	434,965
Operating costs of affordable letting activities	1,331,073	1,354,933
Operating surplus on affordable letting activities	198,595	148,918

4. Particulars of revenue, operating costs and operating surplus or deficit from other activities

	Other Income £	Total Turnover £	Operating Costs Bad Debts £	Operating Costs Other £	Operating surplus/ (deficit) 2026 £	Operating surplus/ (deficit) 2025 £
Wider role activities	-	-	-	2,551	(2,551)	-
Support activities	-	-	-	-	-	-
Factoring	1,123	1,123	-	1,123	-	-
Rechargeable repairs	-	-	1,145	-	(1,145)	336
	1,123	1,123	1,145	3,674	(3,696)	336
2025	1,083	1,083	336	1,083	336	

5. Officers' emoluments

The officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers and employees of the Association. Key management personnel consist of the Management Committee and the Director. During the year, a period of cover for the Director was provided by the Senior Housing Officer. Emoluments for this period are included in total emoluments for key management personnel.

	2026 £	2025 £
Emoluments payable to Director (excluding pension contributions)	104,010	68,910
Total emoluments paid to key management personnel	117,043	77,593

6. Employee information

	2026 No.	2025 No.
Average monthly number of full time equivalent persons employed during the year	5	5
Average total number of employees employed during the year	5	5

Staff costs	£	£
Wages and salaries	203,204	212,417
Social Security costs	13,488	15,128
Other pension costs	29,485	30,718
	246,177	258,264

7. Interest payable and similar charges

	2026	2025
	£	£
Bank loans and overdrafts	22,655	32,329

8. Surplus for the year

	2026	2025
	£	£
Surplus for the year is stated after charging:		
Depreciation – tangible owned fixed assets	449,008	444,496
Auditors' remuneration – audit services	11,160	10,620

9. 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.

10. Non-current assets

	Housing Properties Held for letting
	£
(a) Housing properties	
Cost	
As at 1 April 2025	17,366,664
Additions	305,938
Disposals	(110,900)
As at 31 March 2026	17,561,702
Depreciation	
As at 1 April 2025	9,492,615
Charge for year	434,112
Disposals	(104,150)
As at 31 March 2026	9,822,577
Net book value	
As at 31 March 2026	7,739,125
As at 31 March 2025	7,874,049

Additions to housing properties include capitalised major repair costs to existing properties of £305,938 (2025: £446,089). All land and housing properties are heritable.

Total expenditure on existing properties in the year amounted to £581,805 (2025: £728,938).

The amount capitalised is £305,938 (2025: £446,089) with the balance charged to the statement of comprehensive income. The amounts capitalised can be further split between component replacement of £305,938 (2025: £446,089) and improvement of £Nil (2025: £Nil).

The Association's Lenders have standard securities over Housing Property with a carrying value of £4,937,534 (2025: £5,188,357).

10. Non current assets	Office premises £	Furniture and equipment £	Total £
(b) Other tangible assets			
Cost			
As at 1 April 2025	213,825	57,757	271,582
Additions	-	1,752	1,752
Disposals	-	-	-
As at 31 March 2026	213,825	59,509	273,334
Aggregate depreciation			
As at 1 April 2025	129,644	53,974	183,618
Charge for year	6,913	1,234	8,147
Disposals	-	-	-
As at 31 March 2026	136,557	55,208	191,765
Net book value			
As at 31 March 2026	77,268	4,301	81,569
As at 31 March 2025	84,181	3,783	87,964

11. **Receivables**: Amounts falling due within one year	2026 £	2025 £
Arrears of rent and service charges	14,609	10,815
Less: Provision for doubtful debts	(1,603)	(1,410)
	13,006	9,405
Other receivables	32,243	26,303
	45,249	35,708

12. **Payables**: amounts falling due within one year	2026 £	2025 £
Housing loans	102,921	84,219
Trade payables	47,091	63,439
Rent received in advance	73,558	65,938
Other payables	22,815	26,582
	246,385	240,178

At the balance sheet date there were pension contributions due of £Nil (2025: ££4,445).

13. Payables: amounts falling due after more than one year	2026 £	2025 £
Liability for past service contributions	155,000	214,000
Housing loans	308,852	423,007
	463,852	637,007
Housing loans		
Amounts due within one year	102,921	84,219
Amounts due in one year or more but less than two years	16,195	79,442
Amounts due in two years or more but less than five years	202,675	188,554
Amounts due in more than five years	89,982	155,011
	411,773	507,226
Less: Amounts shown in current liabilities	102,921	84,219
	308,852	423,077

Housing loans are secured by specific charges on the Association's properties. Loans are repayable at current rates of interest ranging from SONIA +0.45% to +0.9%.

14. Statement of cash flows	2026 £	2025 £
Operating surplus	194,899	149,254
Depreciation	449,008	444,496
Amortisation of capital grants	(264,135)	(275,071)
Change in debtors	(12,494)	(1,124)
Change in creditors	(9,541)	(5,925)
Net cash inflow from operating activities	357,737	311,630

15. Deferred income	Housing Properties Held for letting £
Social housing grants	
As at 1 April 2025	12,249,396
Additions in the year	-
Eliminated on disposal of components and property	(13,862)
As at 31 March 2026	12,235,534
Amortisation	
As at 1 April 2025	7,115,104
Amortisation in year	260,490
Disposals	(10,216)
As at 31 March 2026	7,365,378
Net book value	
As at 31 March 2026	4,870,156
As at 31 March 2025	5,134,292

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

	2026 £	2025 £
Amounts due within one year	260,490	260,918
Amounts due in one year or more	4,609,666	4,873,373
	4,870,156	5,134,291

16. Share capital	2026 £	2025 £
Shares of £1 each issued and fully paid		
As at 1 April 2025	70	74
Issued in year	3	1
Cancelled in year	(5)	(5)
At 31 March 2026	68	70

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.

17. Housing stock

	2026 No.	2025 No.
The number of units of accommodation in management at the year end was:		
General needs – new build	129	129
General needs – rehabilitation	124	124
	253	253

18. Related party transactions

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

Those members who are tenants of the Association have tenancies that are on the Association's normal tenancy terms and they cannot use their position to their advantage.

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

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

	2026 £	2025 £
Rent charged to tenants on the Management Committee and their close family Members	86,293	87,864
Factoring charges to factored owners on the Management Committee	808	423

At the year end total arrears owed by the tenant members on the Management Committee and their close family were £906 (2025: £426).

	2026 No.	2025 No.
Members of the Management Committee who are tenants	11	10
Members of the Management Committee who are owner occupiers	-	-

19. 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 32 Garlieston Road, Barlanark, Glasgow.

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

20. Management Committee Member emoluments

Management Committee members received £243 (2025: £30) in the year by way of reimbursement of expenses. No remuneration is paid to Management Committee members in respect of their duties to the Association.

21. Retirement benefit obligations

General

The Association 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.

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 Accounting 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 2024. This valuation revealed a deficit of £79.5m. A Recovery Plan has been put in place to eliminate this deficit, which will run from 1 April 2026 for a period of at least four years to 31 March 2030. This may be extended to 31 March 2032 if the judgement in the court case referenced below results in additional Scheme liabilities. This position will be reviewed at the 2027 valuation.

The Scheme is classified as a "last-man standing arrangement". Therefore, the Association 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 Association accounts for the Scheme as a defined benefit 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 2025. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2026 to 28 February 2027 inclusive.

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

	2026 £	2025 £
Fair value of plan assets	1,335,000	1,466,000
Present value of defined benefit obligation	(1,490,000)	(1,680,000)
Defined benefit liability	(155,000)	(214,000)

21. Retirement benefit obligations (cont.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2026 £
Defined benefit obligation at start of period	1,680,000
Current service cost	-
Expenses	3,000
Interest expense	92,000
Member contributions	-
Actuarial gains due to scheme experience	(75,000)
Actuarial losses due to changes in demographic assumptions	13,000
Actuarial gains due to changes in financial assumptions	(18,000)
Benefits paid & expenses	(205,000)
Defined benefit obligation at end of period	1,490,000

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

	2026 £
Fair value of plan assets at start of period	1,466,000
Interest income	80,000
Experience on plan assets (excluding amounts included in interest income) - loss	(9,000)
Employer contributions	3,000
Member contributions	-
Benefits paid & expenses	(205,000)
Fair value of plan assets at end of period	1,335,000

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was £71,000.

Defined benefit costs recognised in statement of comprehensive income

	2026 £
Current service cost	-
Expenses	3,000
Net interest expense	12,000
Defined benefit costs recognised in statement of comprehensive income	15,000

21. Retirement benefit obligations (cont.)

Defined benefit costs recognised in other comprehensive income

	2026 £
Experience on plan assets (excluding amounts included in net interest cost) - loss	(9,000)
Experience gains and losses arising on the plan liabilities – gain	75,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – loss	(13,000)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	18,000
Total amount recognised in other comprehensive income - gain	71,000

Full judgement in the Verity Trustees v Wood court case is still awaited. Should the Court decide that historic benefit changes need to be applied differently, then some member benefits would need to be increased, which would increase the value placed on Scheme liabilities. No allowance has been made for potential additional liabilities within the estimate made, although this will be addressed if required by the potential extension of the Recovery Plan referenced above.