EAST KILBRIDE HOUSING ASSOCIATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MARCH 2026

Registered Housing Association No: HAL279

Financial Conduct Authority No: 2463R(S)

A Registered Scottish Charity No: SC033749

EAST KILBRIDE HOUSING ASSOCIATION LIMITED

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EAST KILBRIDE HOUSING ASSOCIATION LIMITED

THE BOARD OF MANAGEMENT, EXECUTIVES AND ADVISERS
YEAR ENDED 31 MARCH 2026

Members of Board

The members of the Board of the Association during the year to 31 March 2026 and to the date of this report were as follows:

Maureen Watson	Chair	
Lillian Delaney	Secretary	
Andy Bryant	Vice Chair	Resigned 02.09.25
Michael Gallagher	Vice Chair	
Pauline Hollinsworth	Member	
Lisa Irvine	Member	
David Young	Member	
Anne Marie O'Grady	Member	
Gill Hood	Member	
Michelle Campbell	Member	Resigned 21.05.25
Gregor McKenzie	Member	
Campbell Hall	Co-opted Member	
Danielle Calderwood	Member	
Mark McLean	Member	
Jim Meighan	Member	
Carolyn Kay	Member	

EXECUTIVE OFFICER
Andy Young — Chief Executive

REGISTERED OFFICE
2 Old Coach Road
East Kilbride
G74 4 DP

AUDITORS
AAB Audit & Accountancy Limited
133 Finneston Street
Glasgow
G3 8HB

Quinn Internal Audit
4 Grosvenor Gardens
Edinburgh
EH12 5JU

BANKERS
Lloyds Bank
2nd Floor
25 Gresham Street
London
EC2V 7HN

Clydesdale Bank
30 St Vincent Place
Glasgow
G1 2HL

CAF
25 Kings Hill Avenue

SOLICITORS
T C Young
7 West George Street
Glasgow
G2 1BA

EAST KILBRIDE HOUSING ASSOCIATION LIMITED

REPORT FROM THE BOARD OF MANAGEMENT, EXECUTIVES AND ADVISORS YEAR ENDED 31 MARCH 2026

The Board of Management presents their report on the audited Financial Statements for the year ended 31 March 2026.

Legal status

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No. HAL279. The Association is governed under its Rule Book. The Association is a Registered Scottish Charity with the charity number SCO33749.

Principal activities

The principal activity of East Kilbride Housing Association Limited is to improve the quality of life and serve the needs of local people in East Kilbride and the surrounding area of South Lanarkshire by providing high quality social housing and related services and by assisting them in sustaining and strengthening their communities.

East Kilbride Housing Association Limited is registered with the Financial Conduct Authority as a Friendly Society, the Office of the Scottish Charities Regulator (OSCR) as a charity and the Scottish Housing Regulator as a Registered Social Landlord.

Strategy and Objectives

East Kilbride's Board holds a review day annually to decide on the Association's strategy and objectives for the coming year and this feeds into the business plan. The agreed strategy and objectives for this year are shown below:

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1. To secure EKHA's financial viability and long-term future by operating efficient, effective, and accountable financial management
2. To ensure that we meet or exceed all regulatory requirements and standards
3. To maintain a broad membership base and actively support and facilitate tenant participation and community involvement in the running of EKHA
4. To pursue opportunities to develop and expand non-housing activities which are financially viable, support our mission statement and are compatible with our rules
5. To increase the provision of varied housing tenures, in partnership with other agencies where feasible
6. To ensure that the fabric of our existing stock and design standards of any future stock supports independent living, helps to alleviate fuel poverty, reduces carbon emissions and meets tenants' aspirations
7. To provide caring, cost effective and high-quality services which put tenants and service users at the heart of everything we do
8. To ensure our people have the necessary skills, experience, knowledge, and training to successfully lead and manage EKHA, including taking action to protect their health and wellbeing.

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
REPORT FROM THE BOARD OF MANAGEMENT, EXECUTIVES AND ADVISERS
YEAR ENDED 31 MARCH 2026

Operational Review

This report details issues which have arisen during the year relating to the main activities undertaken.

1. Governance

East Kilbride Housing Association Limited (EKHA) is governed by a voluntary and unpaid Board of Management elected by the members of EKHA. It is the responsibility of the Board to decide on the future direction of the EKHA and undertake the development, monitoring and review of appropriate strategies and policies which support the chosen direction. The Board also monitors the operational activities of the EKHA quarterly and regularly undertakes relevant training and self-assessment of the effectiveness of individual Board members and the effectiveness of the Board as a unit. EKHA carried out a voluntary options appraisal in 2024, the outcome of this exercise was that EKHA should continue to operate as an independent organisation.

2. Corporate Activity

EKHA carries out a continuous, comprehensive self-assessment programme and a rolling programme of reviewing its policies and activities to ensure they are appropriate and relevant to the agreed strategy, in line with good practice and compliant with current and forthcoming legislation. The Board approved the 2025-2030 Business Plan in March 2025. This document outlines the Board's plans for the direction for EKHA over the next 5 years. This document is set to be an evolving document, taking into account changes, and will be reviewed on an annual basis.

3. Development

After several years of not developing any new properties, in 2019 EKHA embarked on a relatively modest ongoing development programme. EKHA completed the site of 49 properties at Murray Court completed in March 2024. This was EKHA's largest development to date. Board are currently considering the cost of further developments, on the land we hold, prior to committing to the development of these sites.

4. Housing

Due to the additional support provided to maximise tenant income and Tenancy support initiatives EKHA has a low level of arrears, sitting at 1.24% at the year end and voids of 0.1%. EKHA began a rent Harmonisation exercise in 2024-2025, this process is due for completion in April 2027, due to the financial safety net that is in place to protect tenants.

5. Property Maintenance

EKHA has implemented and refined its planned and cyclical maintenance programme in line with the EESSH and EESSH 2 Delivery Plan where possible. EKHA have also implemented annual fire door safety checks and remedials in line with the SHR tenant safety standards. Landscaping, Legionella and gas maintenance programmes continued on an annual basis. The planned and cyclical maintenance programme ensured that EKHA's properties all meet the Scottish Housing Quality Standard (SHQS) set out by the Scottish Government and look forward to further enhancing the energy efficiency of our properties in reaching the new EESSH targets. 98% of EKHA properties pass EESSH 1 (December 2020) with EESSH 2 having a target of December 2032 (currently under review).

6. Finance

EKHA carried out an independent review of its financial projections in 2024, as part of the voluntary options appraisal. The assumptions within the projections were analysed and EKHA continues to show a viable position throughout the life of the 30-year projections. EKHA has continued to maximise income and has implemented the use of the Flagstone portal to manage its investments.

7. Other Areas

Credit Payment Policy

EKHA's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is within 30 days.

Maintenance Policies

EKHA seeks to maintain its properties to the highest standard. To this end, programmes of cyclical repairs are carried out in the medium term to deal with the gradual and predictable deterioration of building components. It is expected that the cost of all these repairs will be charged to the Income and Expenditure Account.

In addition, EKHA has a long-term programme of major repairs to cover for work which has become necessary since the original development was completed, including works required for subsequent legislative changes. This includes replacements or repairs to features of the properties, which have come to the end of their economic lives. The costs of these repairs would be charged to the Income and Expenditure Account, unless it was agreed they could be capitalised within the terms outlined in the Statement of Recommended Practice for Registered Social Landlords.

EKHA intends to introduce an Asset Management Strategy before the end of 2026/27.

Budgetary Process

Each year the Board of Management approves the annual budget and rolling five-year strategic plan. Key risk areas are identified. Performance is monitored and relevant action taken throughout the year through quarterly reporting to the Board of Management on variances from the budget, updated forecasts for the year together with information on the key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure, and treasury management.

Risk Management

EKHA has developed a detailed Risk Management Strategy. This is reviewed on an annual basis with individual Risk Assessments being carried out for new areas of activity. An annually reviewed Business Continuity Plan is also in operation. Development was identified as a key risk, as a result Board will consider each potential development thoroughly.

Treasury Management

EKHA has an active treasury management function, which operates in accordance with the Treasury Policy approved by the Board of Management. In this way EKHA manages its borrowing arrangements to ensure that it is always in a position to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held.

EKHA, as a matter of policy, does not enter into transactions of a speculative nature. At 31 March 2026, EKHA has a mix of fixed and variable rate finance, which it considers appropriate at this time.

Quality and Integrity of Personnel

Board members are required to abide by the Board Members Code of Conduct. Annual skills and training audits are implemented with corporate and individual training plans drawn up dependent on training requirements based upon the annual Board self-evaluation. The integrity and competence of staff is ensured through the Chairperson, in respect of the Board and the Chief Executive in respect of staff.

Employee Involvement and Health and Safety

EKHA takes seriously its responsibilities to employees and as a policy, provides employees with information on matters of concern to them. It is also the policy of EKHA to consult (where practical to do so) employees or their representatives so that their views may be taken into account in making decisions likely to affect their interests. EKHA also has a comprehensive Health and Safety Policy, the implementation of which is independently audited on a regular basis.

Disabled Employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with EKHA may continue.

It is the policy of EKHA that training, career development and promotion opportunities should be available to all employees.

Board Members and Officers' Insurance

EKHA has purchased and maintains insurance to cover its Board and officers against liabilities in relation to their duties on behalf of EKHA, as authorised by the Association’s rules.

Going Concern

The Board of Management has reviewed the results for this year and has also reviewed the projections for the next five years. It therefore, has a reasonable expectation that EKHA has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements.

Future developments

EKHA will continue with the policy of improving the quality of the housing and housing services within its area of activity working with its existing and new partners. EKHA currently has provisional plans for further developments at Alberta Avenue, Bosfield Gardens, Carnegie Hill and Langlands.

Auditors

A resolution to re-appoint auditors AAB Audit & Accountancy Limited will be proposed at the Annual General Meeting.

Donations

A budget of £5,000 donations for the year was agreed at the Annual General Meeting. The distribution of these funds is governed by EKHA's Charitable Donations Policy.

Statement of Board's responsibilities

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of EKHA and of the surplus or deficit of the Association for that year. In preparing those financial statements, the Board 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 EKHA will continue in business;
- Prepare a statement on internal financial control.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of EKHA 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 2010 and the Determination of Accounting Requirements – 2024. They are also responsible for safeguarding the assets of EKHA and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring that EKHA's suppliers are paid promptly.

The Board must in determining how amounts are presented within items in the Statement of comprehensive income and Statement of financial position have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

In so far as the Board is aware:

- There is no relevant audit information (information needed by EKHA's auditors in connection with preparing their report) of which EKHA's auditors are unaware, and
- The Board has taken all steps that it ought to have taken to make it aware of any relevant audit information and to establish that EKHA's auditors are aware of that information.

Statement on internal financial control

The Board acknowledges its ultimate responsibility for ensuring that EKHA 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 EKHA, or for publication;
- The maintenance of proper accounting records; and
- The safeguarding of assets against unauthorised use or disposition.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements of EKHA'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 EKHA'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 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 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;
- The Board receives reports from the EKHA leadership team 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 EKHA 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 has reviewed the effectiveness of the system of internal financial control in existence in EKHA 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 EKHA Board

Signature

Gregor McKenzie

Gregor McKenzie,
Secretary
02.09.26

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
REPORT BY THE AUDITORS TO THE BOARD OF EAST KILBRIDE 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 page 8 concerning EKHA'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 EKHA's procedures for ensuring compliance with guidance notes, nor to investigate the appropriateness of the reasons given for non-compliance.

Opinion

In our opinion the statement of internal financial control on page 8 has provided the disclosures required by the relevant Regulatory Standards with the publication "Our Regulatory Framework" and associated regulatory advice notes 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 Board and officers of EKHA, and examination of relevant documents, we have satisfied ourselves that The Board's statement on internal financial control appropriately reflects EKHA'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.

AAB Audit & Accounting Ltd

AAB Audit & Accountancy Limited
Statutory Auditor
GLASGOW
Date:

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
INDEPENDENT AUDITORS TO THE BOARD OF EAST KILBRIDE HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Opinion
We have audited the financial statements of East Kilbride and District 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 Changes in Reserves, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law in the 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 properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements - February 2019, the Charities and Trustee Investment (Scotland) Regulations 2006 (as amended).

Basis of 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 financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our 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 concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information contained in the trustees' report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we don't express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; 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
As explained more fully in the Board's responsibilities statement set on page 7, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board members either intend to liquidate EKHA or to cease operation, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Association operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were Co-operative and Community Benefits Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – February 2024, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended).

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the Association's key performance indicators to meet targets
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the Association needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations
- Analytical procedures to identify any unusual or unexpected trends or relationships;
- Reviewing minutes of meetings of those charged with governance to identify any matters indicating actual or potential fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://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.

AAB Audit & Accountancy Limited

AAB Audit & Accountancy Limited
Statutory Auditor
133 Finneston Street
Glasgow
G3 8HB

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2025 £
Turnover	2	4,004,620	3,899,184
Operating expenditure	2	(3,051,262)	(2,679,121)
Operating surplus	2	953,358	1,220,064
Loss on disposal of asset	7	(65,235)	(62,664)
Interest receivable and other similar income		34,964	12,351
Interest and financing costs	8	(531,535)	(604,144)
Surplus For The Year		391,552	565,606
Other Comprehensive income			
Actuarial Gains/(losses) in respect of Defined Benefit pension scheme	23	71,650	15,000
Total Comprehensive Income		463,202	580,606

The results relate wholly to continuing activities.

The notes on pages 17 to 38 form part of these financial statements

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes	2026 £	2025 £
Non-Current Assets			
Housing properties	11(a)	29,393,003	29,417,155
Other fixed assets	11(b)	560,528	577,352
		29,953,531	29,994,507
Current assets			
Debtors	13	134,672	362,263
Current asset investments		1,039,658	1,005,486
Cash at bank and in hand		2,703,957	2,834,654
		3,878,287	4,202,403
Creditors			
Creditors: amounts falling due within one year	14	(938,928)	(835,494)
Net current assets		2,939,359	3,366,909
Total assets less current liabilities		32,892,890	33,361,416
Creditors: amounts falling due after more than one-year housing property loans	15	(9,648,389)	(10,153,890)
Provisions for liabilities:			
Pension – defined benefit liability	23	(174,518)	(228,518)
Other provisions			
Deferred Income			
Social Housing Grants	18	(13,817,218)	(14,189,441)
Total net assets		9,252,765	8,789,567
Reserves			
Share capital	19	100	104
Income and expenditure reserve		9,252,665	8,789,463
Total reserves		9,252,765	8,789,567

The financial statements were approved by the Board, authorised for issue, and signed on its behalf on 2 September 2026

Gregor McKenzie	Michael Gallagher	Lilian Delaney
Gregor McKenzie Secretary	Michael Gallagher Chairperson	Lilian Delaney Vice Chairperson

The Notes on page 17 to 38 form part of these financial statements

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
STATEMENT OF CASHFLOWS
AS AT 31 MARCH 2026

	Notes		2026 £	2025 £
Net cash inflow from operating activities	16		1,721,194	1,395,757
Investing activities				
Acquisition and construction of housing properties	11a	(889,641)		(1,088,622)
Purchase of other fixed assets	11b	-		(937)
Loss on disposal of assets	7	-		(62,664)
Social Housing Grant Received	18	64,483		767,396
Net cash (outflow) from investing activities			(825,158)	(384,827)
Net cash inflow before financing			896,036	1,010,930
Financing activities				
Issue of ordinary shares	19	-		-
Interest received		34,964		12,352
Interest paid	8	(531,535)		(604,144)
Movement in borrowings	15	(495,990)		(466,787)
Net cash outflow from current year			(992,561)	(1,058,579)
(Decrease) in cash			(96,525)	(47,649)
Opening cash and cash equivalents			3,840,139	3,887,788
Closing cash and cash equivalents			3,743,614	3,840,139

The Notes on page 17 to 38 form part of these financial statements

EAST KILBRIDE HOUSING ASSOCIATION LIMITED
STATEMENT OF CHANGES IN CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2026

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2025	104	8,789,463	8,789,567
Issue of shares	1	-	1
Cancelled shares	(5)	-	(5)
Surplus for year	-	391,552	391,552
Other comprehensive income	-	71,650	71,650
Balance as at 31 March 2026	100	9,252,665	9,252,765

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2024	104	8,208,854	8,208,958
Issue of shares	1	-	1
Cancelled shares	(1)	-	(1)
Surplus for year	-	565,608	565,608
Other comprehensive income	-	15,000	15,000
Balance as at 31 March 2025	104	8,789,462	8,789,567

The Notes on page 17 to 38 form part of these financial statements

1. Principal accounting policies

Legal status
EKHA is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is registered by the Financial Conduct Authority. EKHA is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102.

Basis of accounting
These financial statements have been prepared in accordance with Financial Reporting Standard 102 of The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Statement of Recommended Practice for Social Housing Providers 2014 and comply with the requirements of the Determination of Housing Requirements 2024 as issued by the Scottish Housing Regulator.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying EKHA's accounting policies (see below).

The following principal accounting policies have been applied:

Going concern
The Board has reviewed the results for this year and has also reviewed the projections for the next 5 years.
On that basis the Board has a reasonable expectation that EKHA has adequate resources to remain in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Revenue
EKHA recognises rent receivable net of losses from voids. Service charge income (net of voids) is recognised as expenditure as 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
EKHA participates in the Scottish Housing Defined Benefits Pension Scheme and retirement benefits to employees 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 associations taken as a whole.

EKHA accounts for the pension scheme on a defined benefit basis on its share of scheme assets and liabilities as determined by the actuary. Defined benefit costs are recognised in the statement of comprehensive income within operating costs. Actuarial gains and losses are recognised in other comprehensive income. Further details are disclosed in the notes to the accounts.

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. EKHA depreciates housing properties by the 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 11(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
Land	Not depreciated
Structure	50 years
Electrical wiring	25 years
Windows	30 years
Bathrooms	25 years
Kitchens	15 years
Heating (boilers and radiators)	15 years
External doors	20 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:

Office premises	2% Straight Line
Computer equipment	33.3% straight line
Office equipment	33.3% straight line

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

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 income and expenditure account when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the income and expenditure account in the same year 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 costs. 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.

1. Principal accounting policies (Continued)

Disposals under shared equity schemes are accounted for in the statement of comprehensive income. The remaining equity in the property is treated as a non-current investment, which is matched with the grant received.

Estimation uncertainty
The preparation of financial statements requires the use of certain accounting estimates. It also requires the Board to exercise judgement in applying EKHA'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, is disclosed below:

Rent arrears – bad debt provision
EKHA assesses the recoverability of rent arrears through a detailed assessment process which considers balances outstanding, tenant payment history, arrangements in place, and court action.

Life cycle of components
EKHA estimates the useful lives of major components of its housing properties with reference to surveys carried out by external qualified surveyors.

Useful lives of other fixed assets
The useful lives of other fixed assets are based on the knowledge of the leadership team at EKHA with reference to expected asset life cycles.

Pension liabilities
This has relied on the actuarial assumptions of qualified actuaries which have been reviewed and are considered reasonable and appropriate.

Costs of shared ownership
EKHA allocates costs to shared ownership properties on a percentage basis split across the number of properties EKHA owns.

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
EKHA 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.

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

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 the entirety of EKHA'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 entire housing portfolio in which it manages its housing properties for asset management purposes.

c) Pension liability

In May 2026, EKHA received details from the Pensions Trust of its share of assets, liabilities and scheme deficit. EKHA has used this information as the basis of the pension defined benefit liability as disclosed in these accounts. The Board considers this is the best estimate of their scheme liability.

Financial instruments – basic
EKHA only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like rents, accounts receivable and payable, loans from the banks and parties.

These are recognised in accordance with Section 11 of Financial Reporting Standard 102.

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

2. Particulars of turnover, operating costs and operating surplus

	Note	Turnover £	Operating Costs £	Operating Surplus /(Deficit) 2026 £	Operating Surplus 2025 £
Social letting activities	3	3,895,826	(2,923,686)	972,140	1,198,073
Other activities	4	108,794	(127,576)	(18,782)	21,991
Total		4,004,620	(3,051,262)	953,358	1,220,064
Total for previous reporting period		3,899,185	(2,679,121)	1,220,064	

3. Particulars of income and expenditure from social lettings

	General Needs Social Housing	Supported Social Housing Accom-modation	2026 Total	2025 Total
	£	£	£	£
Revenue from lettings				
Rent receivable net of service charges	3,411,683	11,149	3,422,832	3,348,981
Service charges	46,359	151	46,510	9,481
Gross rents receivable	3,458,042	11,300	3,469,342	3,358,462
Less: rent losses from voids	(10,221)	-	(10,221)	(7,197)
Net income from rents receivable	3,447,821	11,300	3,459,121	3,351,265
Amortisation of social housing & other grants	435,284	1,421	436,705	450,982
Other revenue grants	-	-	-	-
Total income from social letting	3,883,105	12,721	3,895,826	3,802,247
Expenditure on social letting activities				
Management and maintenance administration costs	1,469,016	4,801	1,473,817	1,296,292
Service costs	42,695	140	42,835	42,040
Planned and cyclical maintenance including major repairs costs	307,814	1,006	308,820	261,406
Reactive maintenance costs	250,785	820	251,605	167,567
Bad debts – rents and service charges	2,355	8	2,363	2,082
Depreciation of affordable let properties	841,496	2,750	844,246	834,786
Operating costs for affordable letting activities	2,914,161	9,525	2,923,686	2,604,173
Operating surplus/(deficit) for affordable letting activities	968,944	3,196	972,140	1,198,073
Operating surplus for affordable letting activities 2025	**1,200,437**	3,941	1,204,378	

4. Particulars of income and expenditure from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover	Operating costs – bad debts	Other operating costs	Operating Surplus/ (deficit) 2026	Operating Surplus/ (deficit) 2025
	£	£	£	£	£	£	£	£	£
Stage 3 Adaptations	13,955	-	-	-	13,955	-	(13,955)	-	-
Wider role	-	40,270	-	-	40,270	-	(39,719)	551	1,327
Investment property activities	9,227	-	-	-	9,227	-	(28,560)	(19,333)	(4,477)
Insurance Income	45,342	-	-	-	45,342	-	(45,342)	-	25,141
Total from other activities	68,524	40,270	-	-	108,794	-	(127,576)	(18,782)	21,991
Total from other activities 2025	52,927	44,010	-	-	96,938	-	(74,947)	21,991	

5. Board members and officers' emoluments

The officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board, leadership team and employees of EKHA.

	2026 £	2025 £
Aggregate emoluments payable to officers with Emoluments greater than £60,000 (excluding Pension contributions)	201,824	197,646
The emoluments of the CEO (excluding pension contributions)	78,631	75,903
Pension contributions paid on behalf of the CEO	17,350	15,225

The number of officers, including the highest paid officer who received emoluments (excluding employer pension contributions) in excess of £60,000 during the reporting period fell within the following ranges:

	No.	No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-

There were payments to Board members during the year of £585 for reimbursement of expenses (2023 - £468).

Aggregate emoluments payable to key Management personnel & expenses (including pension)	246,497	233,381

6. Employee information

	2026 £	2025 £
Staff costs during the year:		
Wages and salaries	681,899	663,140
Social security costs	95,932	69,772
Other pension costs	99,972	95,977
	877,803	828,889

	No	No
The average monthly number of full-time equivalent persons employed by the Association during the year was:	14	14

7. Loss on sale of assets	2026	2025
Disposal of components	(65,235)	(62,664)

8. Interest payable and similar charges

	2026 £	2025 £
Bank loans and overdrafts	531,535	604,144

9. Operating surplus for the year

	2026 £	2025 £
Surplus is stated after charging:		
Loss on disposal of assets	62,160	62,644
Depreciation of tangible owned fixed assets	868,456	881,876
Auditors' remuneration - audit services	20,400	19,059
- Other services	-	-
Operating lease rentals - land and buildings	15,692	9,856
Amortisation of capital grants	436,706	450,982

10. Tax on surplus/(deficit) on ordinary activities

EKHA is a Registered Scottish Charity and is exempt from corporation tax on its charitable activities.

11a) Non-current assets

	Housing Properties held for Letting	Housing properties in the course of construction	Total
	£	£	£
Cost			
At start of the year	38,389,913	991,057	39,380,970
Additions	665,869	223,772	889,641
Disposals	(716,190)	-	(716,190)
Transfers to stock			-
At end of year	38,339,592	1,214,829	39,554,421
Depreciation			
At start of year	9,963,816	-	9,963,816
Charge during year	848,556	-	848,556
Eliminated on disposal	(650,954)	-	(650,954)
At end of year	10,161,418	-	10,161,418
Net book value			
At end of year	28,178,174	1,214,829	29,393,003
At start of year	28,302,692	1,114,462	29,417,155

All land and housing properties are heritable

1 Impairment charges - £nil.

2 Capitalised development administration costs - £nil.

3. Total expenditure on existing properties in the year amounted to £1,062,716 (2025 - £1,037,393). The amount capitalised is £509,291 (2025 - £608,420) with the balance charged to the Statement of Comprehensive Income. The amount capitalised was spent on component replacements.

4 EKHA's lenders have standard securities over housing properties with a carrying value of £25,700,000 (2025 - £25,250,000).

11b. Non-current assets continued
Other tangible assets

	Fixtures & Fittings	Office premises	Total
	£	£	£
Cost			
At start of the year	24,672	799,299	823,971
Additions	-	-	-
Disposals	(10,631)	-	(10,631)
At end of year	14,041	799,299	813,340
Depreciation			
At start of year	23,742	222,876	246,618
Charge for year	3,914	15,986	19,900
Disposals	(13,706)	-	(13,706)
As at 31 March 2026	13,950	238,862	252,812
Net book value			
At end of year	91	560,437	560,528
At start of year	929	576,423	577,352

12. Commitments under operating leases

	2026 £	2025 £
At the year end, the total future minimum lease payments under non – cancellable operating leases were as follows:		
Not later than one year	10,367	5,683
Later than one year and not later than five years	5,325	11,589
	15,692	17,272

13. Debtors

	2026	2025
	£	£
Arrear of rent & service charges	43,920	46,853
Less: provision for doubtful debts	(24,822)	(26,025)
	19,098	20,828
Prepayments and accrued income	99,868	86,297
Social housing grant receivable	-	220,218
Other debtors	15,706	34,920
	134,672	362,263

14. Creditors: amounts falling due within one year

	2026	2025
	£	£
Rent in advance	100,941	111,422
Housing loans	513,887	504,368
Trade payables	143,924	42,549
Other taxation and social security	17,687	17,958
Other payables	142,728	138,915
Accruals	19,761	20,282
	938,928	835,494

15. Creditors: amounts falling due after one year

	2026	2025
	£	£
Housing loans	9,648,389	10,153,890

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

All of EKHA's bank borrowings are repayable on a monthly basis with the principal being amortised.

Loans are secured by specific charges on EKHA's properties. All loans relate to housing properties.
Loan terms are as follows:

Lender	Interest Rate	Maturity Year	Variable or Fixed
Nationwide	0.98%	2032	Fixed
Nationwide	0.98%	2035	Fixed
Nationwide	4.04%	2027	Variable
Nationwide	4.06%	2043	Variable
Nationwide	4.06%	2041	Variable
Nationwide	4.37%	2041	Variable
Virgin Money	5.75%	2040	Fixed
Virgin Money	5.45%	2040	Variable
CAF	5.25%	2044	Variable
EST	n/a	2027	n/a

15. Creditors: amounts falling due after one year (continued)

	2026 £	2025 £
Bank loans are payable as follows:		
Within one year	513,887	504,368
Between two and five years	2,298,093	2,138,156
In five years	7,350,288	8,015,734
	10,162,268	10,658,258

16. Statement of cash flows

	2026	2025
Reconciliation of operating surplus to balance As at 31 March 2026		
Operating surplus:	953,358	1,226,368
Depreciation	868,456	881,875
Amortisation of capital grants	(436,706)	(450,982)
Change in debtors	227,591	(93,601)
Change in creditors	93,915	(146,817)
Deficit contribution	-	-
Movement in pension liability	17,650	(21,086)
Surplus on disposal of fixed assets	(3,075)	-
Cancelled shares	5	-
Balance as at 31 March 2026	1,721,194	1,395,757

17. Analysis of net debt

	1 April 2025	Cash Flow	Other Charges	31 March 2026
Cash at bank	2,834,654	(130,697)		2,703,957
Housing loans due within one year	(504,376)	495,990	(505,501)	(513,887)
Housing loans due after one year	(10,153,890)	-	505,501	(9,648,389)
Current asset investments	1,005,486	34,172		1,039,658
	(6,818,126)	399,465	-	(6,418,661)

18. Deferred income

	2026 £	2025 £
Social housing grants	14,189,441	13,873,028
Additions in year	64,483	767,395
Amortisation in year	(436,706)	(450,982)
Balance as at 31 March 2024	13,817,218	14,189,441

This is expected to be released to the statement of comprehensive income as follows:

Amounts due within one year	436,877	454,237
Amounts within one year or more	13,380,341	13,735,204
	13,817,218	14,189,441

19. Reserves

Share Capital

Shares of £1 each are issued and fully paid

	2026 £	2025 £
1 April 2025	104	104
Issued in year	1	1
Shares cancelled during the year	(5)	(1)
Shares issued at 31 March 2026	100	104

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.

20 Housing stock

The number of units of accommodation in management at the end of the year end was:	2026 No.	2025 No.
General needs – New build	612	611
Supported housing	2	2
	614	613

21 Related party transactions

Members of the Board are related parties of EKHA as defined by Financial Reporting Standard 102. The related party relationships of the members of the Board are summarised as:

- 4 Members are EKHA tenants
- No Members are factored owners
- Board members cannot use their position to their advantage. Any transaction between EKHA and any entity with which a Board member has a connection with, is made at arm's length and is under normal commercial terms.

Transactions with Board members were as follows:

- Rent received from tenants on the Board - £16,846
- At the year-end tenant members of the Board owed no rent arrears

22 Details of association

EKHA is a Registered Society registered within the Financial Conduct Authority and is domiciled in Scotland.

EKHA's principal place of business is 2 Old Coach Road, East Kilbride.

EKHA is a Registered Social Landlord and Scottish Charity that owns and manages social housing in East Kilbride.

23 Retirement benefit obligations

EKHA 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 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 2024. This valuation revealed a deficit of £79.5m. A recovery Plan was put in place to eliminate the deficit which runs to 31 March 2027.

Under the terms of the plan, deficit recovery contributions will recommence from 1 April 2026 at £39,389 per annum, with scheme expenses payable at £3,577 per month. Deficit contributions are due to end on 31 March 2030. Both the deficit contributions and the scheme expenses will increase by 3% annually in April, with the first increase effective on 1 April 2027.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, EKHA 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 latest accounting 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 from 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.

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.

23 Retirement benefit obligations (cont.)

FAIR VALUE OF PLAN ASSETS, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION, AND DEFINED BENEFIT ASSET (LIABILITY)

	31 March 2026	31 March 2025
	(£000s)	(£000s)
5Fair value of plan assets	1,585	1,576
Present value of defined benefit obligation	1,760	1,805
Surplus (deficit) in plan	(175)	(229)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(175)	(229)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	-	-

* to be completed by the employer if required

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

	Period ended 31 March 2025 To 31 March 2026	Period ended 31 March 2024 To 31 March 2025
	(£000s)	(£000s)
Impact of asset ceiling at start of period	-	-
Effect of the asset ceiling included in net interest cost	-	-
Actuarial losses (gains) on asset ceiling	-	-
Impact of asset ceiling at end of period	-	-

23 Retirement benefit obligations (cont.)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period ended 31 March 2026 (£000s)	Period ended 31 March 2025 (£000s)
Defined benefit obligation at start of period	1,805	1,902
Current service cost	-	-
Expenses	3	3
Interest expense	102	93
Member contributions	-	-
Actuarial losses (gains) due to scheme experience	(12)	59
Actuarial losses (gains) due to changes in demographic assumptions	14	-
Actuarial losses (gains) due to changes in financial assumptions	(38)	(240)
Benefits paid and expenses	(114)	(12)
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	1,760	1,805

23 Retirement benefit obligations (cont.)

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

	Period ended 31March 2024	Period ended 31 March 2024
	(£000s)	(£000s)
Fair value of plan assets at start of period	1,576	1,659
Interest income	89	81
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	31	**(155)**
Employer contributions	3	3
Member contributions	-	-
Benefits paid and expenses	(114)	(12)
Assets acquired in a business combination	-	-
Assets distributed on settlements	-	-
Exchange rate changes	-	-
Fair value of plan assets at end of period	1,585	1,576

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 £120,000.

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

	Period from 31 March 2025 to 31 March 2026	Period from 31 March 2024 to 31 March 2025
	(£000s)	(£000s)
Current service cost	-	-
Expenses	3	3
Net interest expense	13	12
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)	16	15

23 Retirement benefit obligations (cont.)

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)

	Period ended 31 March 2025 to 31 March 2026	Period ended 31 March 2024 to31 March 2025
	(£000s)	(£000s)
Experience on plan Assets(excluding amounts not included in net interest cost) - gain (loss)	31	(155)
Experience gains and losses arising on the plan liabilities - gain (loss)	12	(59)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(14)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	38	240
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	67	26
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)	**67**	**26**

23 Retirement benefit obligations (cont.)

ASSETS

	31 March 2026 (£000s)	31 March 2025 (£000s)
Global equity	209	183
Liquid Alternatives	303	290
Insurance-linked Securities	3	6
Property	83	78
Infrastructure	-	-
Private Equity	3	1
Real Assets	157	188
Private Credit	204	197
Credit	72	67
Investment Grade Credit	67	72
Cash	1	8
Long Lease Property	-	1
Secure Income	21	36
Liability Driven Investment	438	444
Currency Hedging	-	3
Net Current Assets	24	2
Total assets	1,585	1,576

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

KEY ASSUMPTIONS

	31 March 2026 % per annum	31 March 2025 % per annum
Discount rate	6.14%	5.85%
Inflation (RPI)	3.29%	3.09%
Inflation (CPI)	3.03%	2.79%
Salary growth	4.03%	3.79%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

23 Retirement benefit obligations (cont.)

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.2
Female retiring in 2024	22.7
Male retiring in 2044	21.5
Female retiring in 2044	24.2

24. Capital commitments

	2026	2025
Expenditure contracted but not provided for in accounts	106,233	887,108
Funded by:		
Social housing grant	-	-
Private finance	-	300,875
Other public subsidy	-	106,233
Reserves	106,233	480,000
	106,233	887,108

25. Contingent liabilities

The pension withdrawal debt as at 30 September 2025 for East Kilbride Housing Association Limited is £416,144. This is the Scheme Actuary's estimate of the pricing basis used to secure pension liabilities in full with an insurance company on 30 September 2025 if East Kilbride Housing Association Limited had withdrawn from the current pension scheme.

The Trustee has carried out a review comparing the benefits provided to the scheme members with the requirements of the Scheme documentation. It had received legal advice that there was sufficient uncertainty regarding the effect of some benefit changes that the Court should be asked to provide clarity, to provide the Trustee with the certainty it needs to properly administer the Scheme.

The Court hearing concluded in March 2025, with the Court's determination expected later in 2026 after the Court of Appeal's summer recess. The Trustee has been preparing for the judgement with the support of its advisers. It will write to employers after the judgement is issued to provide a high-level summary of the outcome. If the outcome means that changes are required to member benefits, the Trustee will then need to consider the judgement in more depth before communication in more detail with employers about how it will apply to the Scheme. The Trustee will also need to take advice on whether any further clarification is needed from the Court.

Should the Court decide that the 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 provided above.