HILLCREST FUTURES LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR TO 31st MARCH 2026

Company No SC 248340
Registered Scottish Charity
Charity No SC034261

HILLCREST FUTURES LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR TO 31st MARCH 2026

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HILLCREST FUTURES LIMITED

MEMBERS, EXECUTIVES AND ADVISERS

BOARD OF DIRECTORS

The Board of Directors who are directors and trustees of the charitable company are as follows:

Name
Mr Alan Russell (Chairperson)
Ms Brenda Fenton (resigned 24 March 2026)
Ms Angiola MacDonald
Mr David Lyon
Ms Jacqueline Roberts
Mr Jonathan Brown
Ms Suzanne Kerr (resigned 17 December 2025)
Dr Munwar Hussain
Prof. Marion McMurdo
Ms Leighanne Gallagher (appointed 26 August 2025; resigned 16 October 2025)

EXECUTIVE OFFICERS

Director of Hillcrest Futures Ltd	Mr John Booth
Secretary	Ms Lesley Don
Sole Member	Hillcrest Homes (Scotland) Limited
REGISTERED OFFICE:	1 Explorer Road Dundee DD2 1EG
Charity Number	SCO34261
Registered Number	SC248340
AUDITORS:	CT Audit Limited 61 Dublin Street Edinburgh EH3 6NL
PRINCIPAL BANKERS:	Royal Bank of Scotland 3 High Street Dundee
SOLICITORS:	Thorntons Whitehall House 33 Yeamans Shore Dundee

HILLCREST FUTURES LIMITED

REPORT OF THE TRUSTEES

For the Year to 31st March 2026

The trustees present their report and the audited financial statements for the year ended 31st March 2026. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Objectives and Activities

The objects of the charitable company as stated in the 2019 revised Articles of Association are:

(1) To provide facilities and services specially designed or adapted for such people;
(2) To provide or arrange home maintenance, repair and improvement services for all such people;
(3) To provide facilities and services for the benefit of all such people either exclusively for them or together with other persons;
(4) To provide assistance to accommodate all such people; and
(5) To carry out any activities regulated by the Care Inspectorate for Scotland, which are charitable so as to allow all such people to maximise their potential to lead as independent lives as possible.

As the trustees of the charitable company, our objectives are to provide the care and support services to individuals in the community appropriate to their needs.

The strategic priorities for the financial year to March 2026 and going forward into 2027 are as follows:-

- Provide professional, consistent, high quality and sustainable social care services.
- Recruit and retain a valued, motivated, and well-trained workforce.
- Create a sustainable operational infrastructure, that is respectful and mindful of the changing needs of the communities in which we serve.
- Demonstrate sound business planning, financial robustness, and resilience.
- Identify, engage, interact and communicate effectively with all internal and external stakeholders to enhance the range, depth and value of collaboration to further Hillcrest Future's strategic aims.

Hillcrest Futures Limited has prepared a detailed Business Plan setting out key aims and objectives to be achieved during the period to the plan.

Risk Management

The Trustees have assessed the major risks to which the company is exposed in particular those related to the operations and finances of the company and are satisfied that systems are in place to mitigate the company's exposure to risk. The risk register is reviewed quarterly and new risks are added where appropriate.

The Trustees review their risk appetite on an annual basis and monitor that risk scores are kept within risk appetite levels. During the year to March 2026, Hillcrest Futures changed the method of monitoring risks, moving to an application within Decision Time, the Board Servicing Portal.

Principal risks and uncertainties

The trustees monitor the overall risk profile of the charitable company. In addition, the trustees are responsible for determining clear policies as to what the charitable company considers to be acceptable levels of risk. These policies seek to enable people throughout the charitable company to use their expertise to identify risks that could undermine performance and to devise ways of bringing them to within acceptable levels. Where the trustees identify risks that are not acceptable, they develop action plans to mitigate them with clear allocation of responsibilities and timescales for completion and ensure that progress towards implementing these plans is monitored and reported upon.

At the end of March 2026, there were 5 risks on the register, none of these "net" risks were red. The risks can be categorised as follows;

Financial Risk
Hillcrest Futures continues to be exposed to contracts where the contract sum is not always increasing in line with costs. This continues to be further exacerbated by UK Government changes to Employer National insurance with no additional funding made available to cover the additional cost. A financial improvement plans have been put in place and fully implemented, supporting positive financial results this year.

Service Delivery
Recruitment and retention remains an issue for the Care Sector as a whole, particularly in frontline care roles. A number of initiatives have been put in place to try and tackle these issues which have made an improvement in recruitment and retention metrics with further work being carried out to build on this.

Staff Training
The recruitment and retention issues and turnover of staff, following on from the emergence from a pandemic has exposed a risk for mandatory training. To address this, the charity introduced a new learning management system, and significant progress has been made to redress this. At the time of writing, mandatory training completion stands at 70%.

Data & Systems
The current systems in use by Futures to record, store and analyse data are no longer fit for purpose and are inefficient to support quality, cost effective service delivery. The Futures Board agreed capital investment in IT hardware and new systems to improve efficiency across Hillcrest Futures to mitigate these risks. A new digital care management system has been procured and expected to be fully operational by the end of December 2026.

Employee Involvement
Hillcrest Futures Limited has established communication practices that cascade information about the Company, as well as a range of fora involving employees in discussion and consultation about more significant issues. We respect the value that an active and informed staff representative group brings to the company and continue to invest in development opportunities for them to ensure we embed an effective staff voice throughout the company. Mobile working practices were brought forward in response to the pandemic and systems and methods introduced to ensure that staff remain informed and involved, irrespective of the nature of their work pattern or location. To this end, we are continuing to review and invest appropriately in software, systems and technologies to improve communication and engagement. Hillcrest Futures, as part of Hillcrest has maintained the Investors in People Gold Award and the Investors in Young People Silver award.

HILLCREST FUTURES LIMITED

REPORT OF THE TRUSTEES

For the Year to 31st March 2026

Structure, Governance and Management

Incorporation
Hillcrest Futures Limited is incorporated under the Companies Act 2006 as a company limited by guarantee and not having a share capital. It is also a registered charity. The trustees have no beneficial interests in the charitable company.

Parent and Other Subsidiary Companies
Hillcrest Futures Limited is a subsidiary of Hillcrest Homes (Scotland) Limited, who is a Registered Scottish Landlord and a Scottish Charity. Ultimate control of Hillcrest Futures rests with the sole member, Hillcrest Homes (Scotland) Limited. Hillcrest Homes (Scotland) Limited provides management services to Hillcrest Futures Limited as well as leasing of accommodation for the delivery of support services as well as offices. Hillcrest Futures Limited provides concierge services to Hillcrest along with receiving and providing services to other Subsidiary companies.

The Trustees and Executive Officers
The trustees and Executive Officers of Hillcrest Futures Limited are set out on page 1.

The subscribers to the Articles of Association shall be members of the charitable company, as shall any person who becomes a member of the charitable company in substitution for such subscribers. No other person shall become a member of the charitable company without prior consent of the members, the Board of Directors and the parent company. The minimum number of the members of the Board of Directors shall be 4 and there is no maximum number.

Policy for induction and training of Trustees
The trustees are responsible for the strategic direction of the charitable company. The operation of the charity is implemented by the Director. The recruitment to the Board of Directors is considered annually at Hillcrest. Interested persons are asked to complete an application form and attend an interview to identify their skills, experience and interests. Individuals are then appointed to the relevant Board.

All new trustees are briefed on the objectives, projects and funding mechanisms of the charitable company. Trustees are also updated of any new projects. All trustees are provided with information on charity governance and SORP.

The trustees are kept advised of all relevant matters concerning governance and their roles as charity trustees by attendance at board meetings, paper presentation on relevant matters and through company solicitors.

Strategy
The trustees are responsible for the strategic direction of the charitable company. The Director implements policy and procedures and decisions agreed by the trustees and to manage the day-to-day operations of the charitable company. The Director reports to the trustees at their regular board meetings.

Meetings
The Board of Directors of Hillcrest Futures Limited meets a minimum 5 times per year.

Operational Procedures
Hillcrest Futures Limited has a comprehensive Procedures Manual covering all of its major areas of operation. All policies are reviewed regularly in line with guidance provided by the Care Inspectorate and any other relevant statutory body. There are also a number of group policies that are adopted by Hillcrest Homes and it's Subsidiaries covering areas like Health and Safety, HR, Finance Regulations, General Regulations and IT security.

Equality, Diversity and Inclusion

Hillcrest has an Equality, Diversity and Inclusion Policy which is embedded in the decision-making processes within the organisation and applied consistently. Hillcrest also has published a Modern Slavery Statement in compliance with Section 54 of the Modern Slavery Act 2015. The organisation has established an Equality, Diversity and Inclusion Action Group to further review our statutory requirements. The primary requirement is to ensure that there is no discrimination or less favourable treatment on the grounds of any protected characteristic, this being, Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Belief or Religion, Sex and Sexual Orientation. The EDI strategy specifically sets out our commitment to ensuring equality within all levels of the organisation. This means we treat our people equally without discrimination.

Health and Safety

Overall Health and Safety monitoring and audit is undertaken by Hillcrest Homes' Health and Safety team. The Health and Safety Team conduct audits for all services within Hillcrest Futures over a planned timescale. For Futures, the audits cover staff awareness and training, infection control criteria, COSHH, scalding Management, fire safety, food safety, legionella and a site inspection. Areas for improvement are noted and re-audited in a timely fashion.

Financial Policies

Reserves Policy

Hillcrest Futures Limited's unrestricted reserves were increased from £3,370,880 to £3,801,380 at 31st March 2026. The trustees would like to continue to keep reserves to cover at least 1.5 to 2 months of operating costs.

The Restricted Revenue Reserves reflect the numerous grants received by the company that are in the process of being spent.

Additional information about the reserves is provided in Note 12.

Investment Policy

As part of a Hillcrest wide investment strategy excess funds can be placed on deposit for a minimum of 30 days to a maximum of a year. At 31 March 2026, £1,053,497 of funds were held on deposit (2025 - £1,051,988). Other funds of £3,593,073 (2025 - £3,000,389) are held on immediate access deposit for cash-flow purposes. Cash-flows and excess funds are reviewed on a continuous basis.

Hillcrest Futures Limited also have the opportunity to lend to companies within the Hillcrest Group of Companies. A loan is currently in place with Hillcrest Maintenance Limited for the amount of £905,434 (2025 - £1,034,782).

HILLCREST FUTURES LIMITED

REPORT OF THE TRUSTEES

For the Year to 31st March 2026

Grant Policy
The charity has not yet issued any grants. It is not anticipated that any grants will be issued by Hillcrest Futures Limited in the foreseeable future.

Funding Sources
The principal funding sources for Hillcrest Futures Limited are Local Authorities and Housing Management. This funding enables Hillcrest Futures Limited to meet its objectives of providing care and support to vulnerable individuals.

Pensions
Hillcrest Futures currently has two pension schemes in place. The SFHA pension was closed to new entrants with effect from 1st July 2013. Details of the valuations and the deficit are fully disclosed in Note 13 of the financial statements. Details of contributions are fully disclosed in Note 13 of the financial statements. In accordance with FRS102, the financial statements include the full disclosure of the pension deficit relating to the closed defined benefit pension scheme.

Auditors
CT Audit Limited, are auditors to the charitable company and in accordance with Section 485 of the Companies Act 2006 are willing to be re-elected.

Going Concern
The trustees have considered the future financial position and risks to the charitable company and have reasonable expectation that the charitable company will continue in operational existence for the foreseeable future and have, thereafter, used the going concern basis in preparing the financial statements.

Statement of disclosure of Information to Auditors
We, the Trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that;

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In approving the Trustees' Annual Report in our capacity as trustees.

On behalf of the board

By order of the trustees

....

Trustee Name **Trustee Name**

16th June 2026

HILLCREST FUTURES LIMITED

STRATEGIC REPORT

For the Year to 31st March 2026

The Trustees present their strategic report for the year ended 31st March 2026.

Principal Activities
Hillcrest Futures Limited provides care and support services to a wide range of client groups across six local authority areas; Dundee, Fife, Angus, Perth & Kinross, Edinburgh and Glasgow. We support people with: learning difficulties; physical support needs; mental health support; substance use and harm reduction; young people; homelessness, home care for older adults and people on the Autism spectrum. Support ranges from bespoke 24-hour accommodation-based services, through to community-based outreach, drop-in support and recovery activities. In addition, Hillcrest Futures also offer tailored activities to support personal development as well as leisure interests.

Financial Review
Income
Information on the breakdown of the charity's income is provided in note 19.

Surplus for the Year
The surplus for the year was £330,564 (2025 - £544,197). The results also include an actuarial gain on the defined benefit pension scheme of £117,000 (2025 - £88,000). Designated reserves had a defict movement of £48,970 (2025 - £21,910) and Restricted revenue reserve showed a deficit of £50,966 (2025 - £72,305).

Balance Sheet
The net current asset figure is £4,754,562 and the liquidity ratio remains strong. Revenue Reserves, which are needed to ensure financial stability in the event of unforeseen financial liabilities and to give financial security, are £4,218,155, which the Board of Directors believes to be adequate but not excessive.

Plans for Future Periods
2026/27 will require continued focus on sustainability with particular attention to creating financial resilience and sustainability. A full review of financial procedures and systems are underway. The introduction of a new digital care management system will create efficiencies in moving away from paper-based administration practices and prioritise resources on the delivery of high-quality person led care and support.

There will be a continued focus on sustainable growth and development of services to identify opportunities to increase our capacity to deliver home care services, outreach, community-based services and housing with care services. Opportunities for expanding our geographical spread will be explored and the possibility of tendering for services or the potential for collaborative working and merger/acquisition opportunities in these areas.

By order of the Trustees

....

Trustee Name **Trustee Name**

16th June 2026

HILLCREST FUTURES LIMITED

STATEMENT OF TRUSTEE RESPONSIBILITIES

For the Year to 31st March 2026

Statement of the Trustees' Responsibilities

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure of the Charitable Company for that period. Under Company Law the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

Proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of Hillcrest Futures Limited and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trustees are also responsible for taking adequate steps to safeguard the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HILLCREST FUTURES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HILLCREST FUTURES LIMITED

Opinion

We have audited the financial statements of Hillcrest Futures Limited ('the charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 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 charitable company's affairs as at 31 March 2026, and of the charitable company's incoming resources and application of resources, including the charitable company's income and expenditure, for the period 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears 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 of 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HILLCREST FUTURES LIMITED

Responsibilities of directors

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, 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 gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the charitable company's financial statements. Our tests included, but were not limited to:

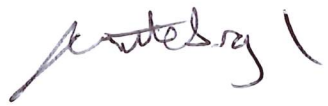
- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the directors;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's directors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors 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 charitable company, the charitable company's members as a body and the charitable company's directors as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Chittleburgh CA (Senior Statutory Auditor)
for and on behalf of CT Audit Limited
Chartered Accountant & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
22.6.26.
CT Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

HILLCREST FUTURES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

For the Year to 31st March 2026

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Income from:							
Donations and Legacies	19	17,701	49,137	66,838	17,530	61,491	79,021
Charitable Activities	19	19,389,923	712,362	20,102,285	18,191,015	670,648	18,861,663
Investments	19	124,824	-	124,824	133,312	-	133,312
Other	19	18,564	-	18,564	21,784	-	21,784
Total Income		**19,551,012**	**761,499**	**20,312,511**	**18,363,641**	**732,139**	**19,095,780**
Expenditure on:							
Charitable Activities	20	19,350,799	714,337	20,065,136	17,852,547	754,494	18,607,041
Other	21	33,811	-	33,811	32,542	-	32,542
Total Expenditure		**19,384,610**	**714,337**	**20,098,947**	**17,885,089**	**754,494**	**18,639,583**
Net income/(expenditure)		**166,402**	**47,162**	**213,564**	**478,552**	**(22,355)**	**456,197**
Actuarial Gain/(Loss) in respect of pension scheme	11	117,000	-	117,000	88,000	-	88,000
Transfers in reserves	12	98,128	(98,128)	-	49,950	(49,950)	-
Net movement in funds		**381,530**	**(50,966)**	**330,564**	**616,502**	**(72,305)**	**544,197**
Reconciliation of Funds:							
Total Funds brought forward		3,419,850	467,741	3,887,591	2,803,348	540,046	3,343,394
Total Funds carried forward		**3,801,380**	**416,775**	**4,218,155**	**3,419,850**	**467,741**	**3,887,591**

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised during the year

The notes on pages 16 to 33 form an integral part of these financial statements.

HILLCREST FUTURES LIMITED

BALANCE SHEET

As at 31st March 2026

	Notes	2026 £	2025 £
FIXED ASSETS			
Tangible Assets	6	209,249	55,953
CURRENT ASSETS			
Stock	7	-	77
Debtors – due within twelve months	8	1,431,488	1,385,536
Debtors – due after twelve months	8	776,086	905,434
Cash in Bank and in Hand	9	5,690,718	5,242,292
		7,898,292	7,533,339
CURRENT LIABILITIES			
Creditors: Amount falling due within one year	10	(3,143,730)	(2,895,729)
Net Current Assets		4,754,562	4,637,610
Total assets less current liabilities		4,963,811	4,693,563
Provisions for Liabilities and Charges	11	(192,469)	(172,785)
Net Assets excluding pension liability		4,771,342	4,520,778
Defined benefit pension scheme liability	11 & 13	(553,187)	(633,187)
Total Net Assets		4,218,155	3,887,591
The Funds of the Charity			
Restricted Income Funds	12	416,775	467,741
Unrestricted Funds - General	12	3,801,380	3,370,880
Unrestricted Funds – Designated	12	-	48,970
Total Charity Funds		4,218,155	3,887,591

The Financial Statements were approved and authorised for issue by the Board on 16th June 2026.

Signed on behalf of the Board of Trustees.

..... Member of the Board of Directors

Name

..... Member of the Board of Directors

Name

Company registration number SC248340

The notes on pages 16 to 33 form an integral part of these Financial Statements.

HILLCREST FUTURES LIMITED

STATEMENT OF CASH FLOWS

For the Year to 31st March 2026

	Note	2026 £	2025 £
Net Cash provided by operating activities	**24**	576,907	1,031,394
Cash flows from investing activities:			
Interest Received		124,824	133,312
Receipts/(payments) to short term investments		-	-
Purchase of tangible fixed assets		(263,563)	(43,805)
Proceeds from sale of tangible fixed assets		10,258	-
Net change in cash and cash equivalents		448,426	1,120,901
Cash and cash equivalents at the beginning of the reporting period		5,242,292	4,121,391
Cash and cash equivalents at the end of the reporting period		**5,690,718**	**5,242,292**

The notes on pages 16 to 33 form an integral part of these Financial Statements.

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows;

1.1 General information and basis of preparation

Hillcrest Futures Limited is a private company limited by guarantee, registered in Scotland and a charity incorporated in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the charity. The address of registered office is given in the charity information on page 1 of these financial statements. The nature of the charities operations and principle activities is to provide care and support services to individuals in the community, appropriate to their need.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), S44 Charities and Trustees Investment (Scotland) Act 2005, the Companies Act 2006 and UK Generally Accepted Practices as it applies from 1 January 2015.

The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

With the adoption of the Statement of Recommended Practice all income and expenditure is dealt with through the statement of financial activities (incorporating the statement of income and expenditure account). Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds subject to specific restrictions, which may be declared by the donor or with their authority. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist for the proceeding financial year. The Trustees have considered the amounts of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.4 Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.5 Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The charity received government funding for the provision of care and support services. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Volunteer services for the charitable activities are not included within the Financial Statements. Volunteer services provided during the financial year were valued at £44,541.

1.6 Expenditure Recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of charitable activities include the costs of providing the care and support services. This includes direct staffing costs, training, recruitment and related expenses in providing this service. Other expenditure is comprised of all costs involved in the public accountability of the charity and its compliance with regulations and good practice. The allocation of costs is analysed in notes 20 & 21.

1.7 Lease Costs

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the term of the lease.

1.8 Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. It is the company's policy to capitalise costs over £2,500. Depreciation is provided on all tangible assets at rates calculated to write off the cost over the assets useful life. Depreciation is provided on tangible fixed assets as follows;

Motor Vehicles	25% on a straight line basis
Furniture and Equipment	25% on a reducing balance basis
Office Furniture and Equipment	25% on a reducing balance basis
Tenants Improvements	5 years on a straight line basis
Computer Software	3 -5 years on a straight line basis
Computer Hardware	3-5 years on a straight line basis

1.9 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.10 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated liability.

1.11 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

1.12 Pensions

Hillcrest Futures Limited operates a defined contribution Pension scheme, the cost of which is written off on an accruals basis.

Pre- April 2014, Hillcrest Futures Limited operated a defined benefit scheme, the assets of this scheme are held separately from those of the company in an independently administered fund (see note 13). Determining the value of Hillcrest Future's share of the defined benefit scheme includes estimates of life expectancy, salary growth, inflation and the discount rate on corporate bonds.

Allocation of share of assets and liabilities for multi-employer pension schemes are based upon source information provided by the administrators of the scheme and estimations performed by actuarial advisers.

1.13 Policy on redundancy and termination payments

Redundancy and termination payments are based on the requirements applied by the HM Revenue and Customs. All costs incurred are recognised in the period the liability incurs.

1.14 Employee Benefits

All staff are entitled to access a company health insurance policy. This policy enables staff to access funding to reimburse them for certain expenses incurred, together with getting access to various support mechanisms such as counselling.

In line with FRS 102 accounting requirements, any unused holidays accrued to 31 March 2026 are accounted for as an expense within the Statement of Financial Activities and the respective creditor is included within note 10.

1.15 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.16 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliable estimated.

1.17 Cash at bank

Cash at bank and in hand includes cash and short term deposits of 3 months or less.

1.18 Stock

Stock is valued at the lower of cost and net realisable value using a weighted average method.

2. KEY MANAGEMENT PERSONNEL EMOLUMENTS

Key Management are defined as the members of the Board of Directors, the Director of Hillcrest Futures Limited and any other person whose total emoluments exceed £60,000 per year. An emolument was paid to one Director during the year which amounted to £2,625 (2025: £nil).

The emolument of the key management personnel and former key management personnel (excluding pension contributions) were within the following ranges :-

	2026	2025
£60,000- £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 – £100,000	-	-
£101,001 - £110,000	-	1
£110,001 - £120,000	1	-

	2026 £	2025 £
Aggregate emoluments payable to Key Management Personnel (including pension contributions and benefits in kind)	324,499	302,421
Total expenses for travel & subsistence reimbursed to Key Management Personnel in so far as not chargeable to United Kingdom Tax	397	312
Number of Key Management Personnel reimbursed	2	1

The Director of Hillcrest Futures is an ordinary member of the defined contribution scheme described in Note 13.

No loans were made to any Trustee or Key Management Personnel during the course of the period and none were outstanding at 31 March 2026.

3. EMPLOYEE INFORMATION

The average number of persons employed directly by Hillcrest Futures Limited during the period was:

	2026	2025
Governance	11	13
Charitable Activities	624	619
	635	632
Average No. of Permanent Staff	628	615
Average No. of Full Time Equivalent	462	462

3. EMPLOYEE INFORMATION (continued)

	2026	2025
	£	£
Staff Costs (including Directors Emoluments)		
Wages and Salaries	14,752,816	14,050,797
Social Security Costs	1,721,773	1,172,670
Pension Costs	423,661	410,179
	16,898,250	**15,633,646**

Redundancy/termination payments 2026: £9,885 (2025 - £Nil) are included above.

4. NET MOVEMENT IN FUNDS

	2026	2025
	£	£
Net movement in funds is stated after charging:-		
Depreciation – Other Fixed Assets	110,267	37,154
(Gain)/Loss on Disposal of Fixed Assets	10,258	-
Leased Cost of Registered Care Homes and Offices	194,749	202,388

5. AUDITOR'S REMUNERATION

	2026	2025
	£	£
Fee payable to the charity's auditor for the audit of the charity's annual accounts	15,840	15,000

6. TANGIBLE FIXED ASSETS

	Motor Vehicles	Furniture & Equipment	Office Furniture & Equipment	Tenants Improvements	TOTAL
	£	£	£	£	£
Cost					
At 1st April 2025	90,183	26,404	401,479	67,993	586,059
Additions during year	31,273	3,323	228,967	-	263,563
Disposals during year	(29,946)	-	-	(19,403)	(49,349)
At 31st March 2026	**91,510**	**29,727**	**630,446**	**48,590**	**800,273**
Depreciation					
At 1st April 2025	90,183	21,885	356,255	61,783	530,106
Charge for year	7,818	2,675	97,847	1,927	110,267
Disposals during year	(29,946)	-	-	(19,403)	(49,349)
At 31st March 2026	**68,055**	**24,560**	**454,102**	**44,307**	**591,024**
Net Book Value					
At 31st March 2025	-	4,519	45,224	6,210	55,953
At 31st March 2026	**23,455**	**5,167**	**176,344**	**4,283**	**209,249**

7. STOCK

	2026 £	2025 £
Stock	-	77
	-	77

8. DEBTORS

Amounts falling due within one year:	2026 £	2025 £
Trade Debtors	859,855	654,785
Amounts due from Group Companies	129,348	361,568
Amounts due from Parent Company	20,913	21,689
Other Debtors	22,540	27,147
Prepayments and Accrued Income	398,832	320,347
	1,431,488	**1,385,536**
Amount falling due in more than one year:		
Amounts due from Group Companies	**776,086**	**905,434**

9. CASH AT BANK AND IN HAND

	2026 £	2025 £
Cash at bank and in hand	3,646,569	3,052,377
Cash held on behalf of service users	1,044,149	1,189,915
	4,690,718	4,242,292
Cash held on fixed term deposits	1,000,000	1,000,000
	5,690,718	**5,242,292**

10. CREDITORS

Amounts falling due within 12 months	2026 £	2025 £
Trade Creditors	161,286	171,227
Other Taxation and Social Security	298,702	236,690
Other Creditors	112,999	184,186
Funds held on behalf of service users	946,984	1,120,576
Accruals and Deferred Income	1,272,320	865,564
Short-term compensated absences (holiday pay)	246,763	237,110
Amount Due to Parent Company	90,354	68,965
Amount Due to Other Group Companies	14,322	11,411
	3,143,730	**2,895,729**

11. PROVISIONS FOR LIABILITIES AND CHARGES

Pension Provision

	2026 £	2025 £
Pension deficit provision at 1 April 2025	633,187	688,187
Unwinding of the discount factor (interest expense)	37,000	33,000
Remeasurements – impact of any change in assumptions	(117,000)	(88,000)
Unrecognised deficit		-
Net Pension surplus at 31 March 2026	**553,187**	**633,187**
Due within 1 year	-	-
Due in more than 1 year	553,187	633,187
	553,187	**633,187**

Other Provisions

	At 1st April 2025 £	Spent in Period £	Transferred to/from Provision £	At 31st March 2026 £
Equipment and Furniture Replacement	172,785	(25,785)	45,469	192,469

Hillcrest Futures Limited's future liabilities for these provisions are being provided for through a direct recharge to the Service Users in the property. Each component has an estimated length of life and the provision is calculated to replace the component at the end of its useful life. Any over or under provision will be determined and the service charge adjusted accordingly.

12. ANALYSIS OF CHARITABLE FUNDS

Outline Summary of fund movements

Fund Name	Balance at 1 April 2025	Income	Expenditure	Transfers	Actuarial Gains/ (Losses)	Balance at 31 March 2026
	£	£	£	£	£	£
Restricted Income Funds	467,741	761,499	(714,337)	(98,128)	-	416,775
Unrestricted Funds – General	3,370,880	19,551,012	(19,384,610)	147,098	117,000	3,801,380
Unrestricted Funds – Designated	48,970	-	-	(48,970)	-	-
Total Funds	**3,887,591**	**20,312,511**	**(20,098,947)**	**-**	**117,000**	**4,218,155**

Fund Name	Balance at 1 April 2024	Income	Expenditure	Transfers	Actuarial Gains/ (Losses)	Balance at 31 March 2025
	£	£	£	£	£	£
Restricted Income Funds	540,046	732,139	(754,494)	(49,950)	-	467,741
Unrestricted Funds – General	2,732,468	18,363,641	(17,863,179)	49,950	88,000	3,370,880
Unrestricted Funds – Designated	70,880	-	(21,910)	-	-	48,970
Total Funds	**3,343,394**	**19,095,780**	**(18,639,583)**	**-**	**88,000**	**3,887,591**

12. ANALYSIS OF CHARITABLE FUNDS (continued)

Analysis of movement in restricted income funds

	1 April 2025 £	Income £	Expenditure £	Transfers £	31 March 2026 £
Dundee Futures	3,385	20,415	(27,671)	3,871	-
Hillcrest Foundation	60,163	49,137	(59,936)	-	49,364
ELHF Grant	1,773	-	(195)	-	1,578
Dundee Young Persons D&A (Key to Change)	34,385	30,600	(28,856)	-	36,129
Perth Young Persons D&A	14,596	77,318	(81,845)	-	10,069
Angus Peer Workers	49,824	19,179	(14,462)	-	54,541
Overdose Prevention	57,329	28,175	(33,666)	-	51,838
Perth & Kinross Develop Recovery Communities	116,406	-	-	(116,406)	-
Dundee Adults D&A Recovery	119,605	-	-	(119,605)	-
Harm Reduction	3,346	50,350	(37,500)	-	16,196
Perth Prison	6,929	51,157	(33,590)	-	24,496
Well Bean Café	-	112,240	(92,185)	40,601	60,656
Dundee GP Keyworker	-	40,296	(45,089)	4,793	-
Friday Night Project	-	19,523	(6,258)	6,646	19,911
Young Persons D&A	-	57,956	(42,761)	15,835	31,030
Care and Risk Management	-	4,504	(3,737)	2,404	3,171
Dundee Young Persons D&A	-	102,476	(106,185)	3,709	-
Transform	-	40,784	(21,773)	11,054	30,065
ND Peers	-	24,533	(12,826)	-	11,707
Dundee Young People	-	21,656	(18,144)	-	3,512
SVQ	-	11,200	(47,658)	48,970	12,512
Total	**467,741**	**761,499**	**(714,337)**	**(98,128)**	**416,775**

Analysis of movement in restricted income funds (2024)

	1 April 2024 £	Income £	Expenditure £	Transfers £	31 March 2025 £
Dundee Futures	4,700	81,885	(83,200)	-	3,385
Edinburgh Futures	630	87,588	(88,218)	-	-
Barclays Funding	9,701	-	-	(9,701)	-
Hillcrest Foundation	26,645	59,936	(26,418)	-	60,163
Supporting Communities Fund	34,239	-	-	(34,239)	-
Hyperoptic Grant	6,010	-	-	(6,010)	-
ELHF Grant	1,826	1,555	(1,608)	-	1,773
Dundee Young Persons D&A (Key to Change)	45,039	30,600	(41,254)	-	34,385
Perth Young Persons D&A	32,212	56,919	(74,535)	-	14,596
Angus Peer Workers	39,968	43,321	(33,465)	-	49,824
Overdose Prevention	56,194	28,175	(27,040)	-	57,329
Perth & Kinross Develop Recovery Communities	92,704	52,769	(29,068)	-	116,406
Dundee Adults D&A Recovery	125,239	245,310	(250,945)	-	119,605
Harm Reduction	42,725	625	(40,004)	-	3,346
Perth Prison	22,214	43,455	(58,740)	-	6,929
Total	**540,046**	**732,139**	**(754,494)**	**(49,950)**	**467,741**

12. ANALYSIS OF CHARITABLE FUNDS (continued)

Purposes of Restricted Income Funds

- Dundee Futures - to cover the running costs of the Dundee Futures project whose focus is to help clients improve skills and confidence, reduce their risk of homelessness and increasing their employability.
- Edinburgh Futures – to cover the running costs of the Edinburgh Futures project whose focus is to help clients improve skills and confidence, reduce their risk of homelessness and increasing their employability.
- Barclays Funding – funds awarded for various ongoing added value projects within Futures.
- Hillcrest Foundation – funds awarded for various ongoing added value projects within Futures.
- Supporting Communities Fund – funds awarded for various ongoing added value projects within Futures.
- Hyperoptic – funds awarded for IT lending library and mobile top ups.
- ELHF Grant – funds for IT equipment.
- Key to Change/Perth Young People – to cover staff and other costs for Young People's work.
- Angus Peer Workers – to cover staff and other costs in relation to developing recovery connections in Angus.
- Overdose Prevention – to cover staff and other costs in respect of project for responding to non-fatal overdoses.
- Community Recovery – to cover staff costs in respect of a coordinator/paid peer for Recovery Community in Perth & Kinross and Dundee.
- Harm Reduction – to cover staff costs in respect of Harm Reduction worker.
- Perth Prison – to cover staff costs for Perth project.
- Well Bean Café – to cover staff and running costs in relation to providing well bean cafes in community locations across Angus
- ND Peers – to cover staff costs in relation to providing neurodiversity assessment and support for people aged 16 and over in Angus
- Dundee GP Keyworker – to cover staff costs in relation to providing shared care with GPs for people in recovery from drug and alcohol dependence
- Friday Night Project – to cover staff costs for carrying out diversionary activities for young people in Angus
- Dundee Young People – to cover staff costs for supporting young people with their own substance use
- Young Persons Substance Outreach Service – to cover staff costs in relation to providing support to young people and their families affected by substance use
- Care and Risk Management – to cover staff costs in relation to young people under Care and Risk Management support in Angus
- Transform - to cover staff costs in relation to providing harm reduction and naloxone distribution with homeless accommodation services and other community venues
- SVQ – to cover the cost of training staff to meet the standards set down by the Scottish Social Council, the standards are required to be met to maintain the ability to provide care services

Unrestricted Funds - General

The unrestricted funds - general reserve represents cumulative surplus and deficits, net of other adjustments.

13. PENSIONS

Pension Obligations - SFHA Pension Scheme

The company 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 2021. This valuation revealed a deficit of £27m. A Recovery Plan has been put in place to eliminate the deficit which ran to 30 September 2022.

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

For financial years ending on or before 28 February 2019, it has not been possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, a valuation of the scheme was 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 31 March 2025 to 31 March 2026 inclusive.

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

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.

Hillcrest Futures Defined Benefits assets and obligations

The assumptions that have the most significant effect on the valuation of Hillcrest Future's defined benefit pension arrangement are those relating to the rate of return on investments and the rates of increases in salaries and pensions. The key actuarial assumptions at the 31st March 2026 were as follows:

	% per annum
Discount Rate	6.08%
Inflation (RPI)	3.31%
Inflation (CPI)	3.03%
Salary Growth	4.03%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance

13. PENSIONS (continued)

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

	Life expectancy at age 65 (years)
Male retiring in 2026	20.7
Female retiring in 2026	22.9
Male retiring in 2046	21.9
Female retiring in 2046	24.4

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Liability

	31 March 2025	31 March 2024
	(£000s)	(£000s)
Fair value of plan assets	4,394	4,418
Present Value of defined benefit obligation	4,947	5,051
Surplus/(Deficit) in plan	(553)	(633)
Unrecognised Surplus	-	-
Defined Benefit Liability to be recognised	**(553)**	**(633)**

Reconciliation of the Impact of the Asset Ceiling

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

Reconciliation of the Opening and Closing Balances of the Defined Benefit Obligation

	Year ended 31 March 2026
	(£000s)
Defined benefit obligation at start of period	5,051
Expenses	9
Interest Expense	288
Actuarial losses (gains) due to scheme experience	(151)
Actuarial losses (gains) due to changes in demographic assumptions	47
Actuarial losses (gains) due to changes in financial assumptions	(83)
Benefits paid and expenses	(214)
Defined benefit obligation at end of period	**4,947**

13. PENSIONS (continued)

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

	Year ended 31 March 2026 (£000s)
Fair value of plan assets at start of period	4,418
Interest income	251
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	(70)
Contributions by the employer	9
Benefits paid and expenses	(214)
Fair value of plan assets at end of period	**4,394**

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was £181,000.

Defined Benefit Costs Recognised in Statement of Comprehensive Income

	31 March 2026 (£000s)
Expenses	9
Net Interest Expense	37
Defined benefit costs recognised in statement of comprehensive income	**46**

Defined Benefit Costs Recognised in Other Comprehensive Income

	31 March 2026 (£000s)
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	(70)
Experience gains and losses arising on the plan liabilities – gain (loss)	151
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain (loss)	(47)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	83
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain (loss)	**117**
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)	**117**

13. PENSIONS (continued)

Defined Contribution Scheme
The company operates a defined contribution scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £432,661 (2025 – £411,898).

14. CONTINGENT LIABILITIES

Pension Scheme
Should the company decide to end participation in the SFHA Pension Scheme there would be a potential liability of £1,210,347 (2025 - £1,618,166), of which £nil (2025 - £nil) relates to the scheme deficit contributions and has been included as a liability as at 31 March 2026 (notes 11 & 13).

15. ULTIMATE PARENT COMPANY

The ultimate parent company is Hillcrest Homes (Scotland) Limited, incorporated in the United Kingdom, (registration no. 1603 R (S)) and a registered Scottish charity (no SC006809) which wholly owns the company. Copies of the group financial statements can be obtained from 1 Explorer Road, Dundee. Hillcrest Homes (Scotland) Limited is a Registered Social Landlord. The principal activities of the Group are the provision of high-quality rented accommodation at affordable rents for those in housing need and the provision of care and support services for those in need due to age, infirmity, disablement or handicap.

There is a detailed Service Level and Independence agreement between Hillcrest Homes (Scotland) Limited and Hillcrest Futures Limited. This document clearly outlines the division of roles, responsibilities and decision making between parent and subsidiary. This document is reviewed every 3 years.

16. INDEMNITY INSURANCE

The charity paid £3,820 (2025 - £3,533) to provide insurance for the Directors to indemnify them against the possibility of personal liabilities arising from any neglect or default on their part other than as a result of reckless acts.

17. DONATIONS IN KIND

There are no donations in kind received in the year. All resources supplied by the parent company are covered by the Independence and Responsibilities Agreement and are charged in the administration charge for the year.

18. FINANCIAL COMMITMENTS

Operating leases relate to properties rented from the Parent Company and from 3rd Parties and for Vehicle Leases. For Parent Company Leases these leases are capable of being cancelled by either party at 6 months' notice. If these leases are not cancelled the financial commitment will be £184,885 for the next 15 months. For 3rd Party Leases the financial commitment is £16,347 and for vehicle leases the financial commitment is £14,218. The total financial commitment for Leases is £215,450.

19. INCOME

Donations and Legacies

	2026	2025
	£	£
Gifts	66,838	79,021
	66,838	**79,021**

Income from donations and legacies was £66,838 (2025 - £79,021), of which £49,137 (2025 - £61,491) was attributed to restricted funds and £17,701 (2025 - £17,530) was attributed to unrestricted funds.

Charitable Activities

	2026	2025
Income from: provision of care services	£	£
Local Authorities	17,683,507	16,490,901
Housing Management	1,251,557	1,206,971
Individual Payments by Service Users	215,339	193,160
SAAS	48,856	45,400
Miscellaneous Income	903,026	925,231
	20,102,285	**18,861,663**

Income from charitable activities was £20,102,085 (2025 - £18,861,663), of which £712,362 (2025 - £670,648) was attributed to restricted and £19,389,923 (2025 - £18,191,015) to unrestricted funds.

Investments

	2026	2025
Income from: investments	£	£
Bank interest	100,975	106,230
Loan Interest	23,849	27,082
	124,824	**133,312**

Other

	2026	2025
Income from: other	£	£
Staff Training Contributions	8,306	21,784
Proceeds from disposal of asset	10,258	-
	18,564	**21,784**

20. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Provision of care services	2026 restricted £	2026 unrestricted £	2025 restricted £	2025 Unrestricted £
Wages and Salaries (incl agency)	399,709	16,421,147	608,799	15,153,030
Pension Costs (incl DIS)	19,312	486,128	21,740	456,639
Care Inspectorate	-	40,055	489	36,646
Heat and Light	5,639	148,626	2,494	126,888
Insurance	-	191,515	-	173,308
Staff Training	58,242	24,138	9,056	63,229
Recruitment	898	27,524	1,255	41,904
Motor Expenses	-	23,157	-	27,328
Staff Travel and Subsistence	113	105,536	735	102,422
Meals, Outings etc for Tenants	5,823	55,416	5,309	59,347
Cleaning	344	124,150	129	126,621
Rent and Rates	6,304	188,445	3,896	199,216
Repairs and Maintenance	1,199	94,427	1,139	18,794
Printing and Stationery	1,319	11,876	230	14,466
Postage and Telephone	1,024	54,250	2,276	50,135
Bank Charges	-	6,492	-	6,848
Sundry Expenses	161,153	460,818	44,279	415,954
Depreciation	1,546	105,988	1,473	32,250
Transfer to Provisions	-	40,527	-	34,025
Administration Charge from Parent Company	51,712	637,810	51,195	618,244
Apprenticeship Levy	-	65,774	-	62,253
Pension Deficit interest expense	-	37,000	-	33,000
	714,337	**19,350,799**	**754,494**	**17,852,547**

21. OTHER EXPENSES

	2026 restricted £	2026 unrestricted £	2025 restricted £	2025 unrestricted £
Audit Fees	-	15,840	-	16,288
Legal and Professional Fees	-	10,210	-	7,453
Disclosure Costs	-	7,761	-	8,801
	-	**33,811**	-	**32,542**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	unrestricted	restricted	Designated	Total
	£	£	£	£
Fixed Assets	209,249	-	-	209,249
Cash at bank and in hand	4,273,943	416,775	-	4,690,718
Other Net Current Assets	63,844	-	-	63,844
Provisions	(192,469)	-	-	(192,469)
Pension Liability	(553,187)	-	-	(553,187)
	3,801,380	**416,775**	**-**	**4,218,155**

23. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2026	2025
	£	£
Net income/(expenditure) for the reporting period	125,740	355,887
Adjustments for:		
Depreciation Charges	110,267	37,154
Loss/(Gain) on disposal of Fixed Assets	(10,258)	-
Increase/(Decrease) in Creditors	248,001	131,124
(Increase)/Decrease in Debtors	83,396	494,758
(Increase)/Decrease in Stock	77	10,423
Increase/(Decrease) in Provisions	19,685	2,048
Net cash provided by operating activities	576,908	1,031,394

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2025	Cashflow	Other non-cash changes	At 31 March 2026
	£	£	£	£
Cash and cash equivalents:				
Cash at bank and in hand	5,242,292	448,426	-	5,690,718
Total	**5,242,292**	**448,426**	**-**	**5,690,718**