Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

Registered Housing Association No. 117
Financial Conduct Authority No. 1791 R (S)
Charity No. SC010307

GOVANHILL HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2026

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LTD

For the year ended 31 March 2026

CONTENTS

BOARD OF MANAGEMENT, EXECUTIVES AND ADVISORS 3

REPORT OF THE MANAGEMENT COMMITTEE ..... 4 - 7

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITIES 8

THE BOARD OF MANAGEMENT'S STATEMENT OF INTERNAL FINANCIAL CONTROL 9

REPORT BY THE AUDITORS ON CORPORATE GOVERNANCE MATTERS 10

INDEPENDENT AUDITOR'S REPORT ..... 11 - 13

STATEMENT OF COMPREHENSIVE INCOME 14

STATEMENT OF FINANCIAL POSITION 15-16

STATEMENT OF CHANGES IN RESERVES 17

STATEMENT OF CASHFLOWS 18

NOTES TO THE FINANCIAL STATEMENTS ..... 19 - 41

Registration Particulars:

Financial Conduct Authority	Co-operative and Community Benefit Societies Act 2014 Registered Number 1791 R (S)
Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered Number HCB 117
Charity No.	Charities and Trustee Investment (Scotland) Act 2005 Scottish Charity Number **SC010307**

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LTD

BOARD OF MANAGEMENT, EXECUTIVES AND ADVISORS

For the year ended 31 March 2026

The members of the Management Committee of the Association who served during the year to 31 March 2026 and up to the date of signing of these financial statements were as follows:

Management Committee

Keith Kintrea	Chair
Cheryl Miller	Treasurer to 11/09/2025
Audrey Flannagan	Vice Chair
Elizabeth Klein	Resigned 10/12/2025
Ghazala Hakeem	Secretary
Mujeeb Ur-Rehman	Treasurer from 24/09/2025
Barbara Robertson	
Iain Doherty	
Jennifer Cassells	Resigned 17/05/2026
Paul Callander	
El-Nimiery Khalifa	
Gary Paton	Resigned 28/05/25
Jacqueline Donnelly	Joined 24/09/2025
Katie Le May	Joined 27/05/2026

Executive officers

John Quinn	(Chief Executive Officer until 31/12/2025)
Jennifer Cairns	(Chief Executive Officer from 02/02/2026)
Alan McDonald	(Director of Development & Property Services until 31/05/2026)
Bryan McMahon	(Director of Development & Property Services from 22/06/2026)
Alison Kevan	(Director of Corporate Services & HR)
Claire McGraw	(Director of Tenancy Services)
David Robb	(Director of Finance & IT)

Registered office
Samaritan House
79 Coplaw Street
Glasgow G42 7JG

External Auditors
CT Audit Limited
61 Dublin Street
Edinburgh
EH3 6NL

Internal Auditors
Cameron Internal Audit
GF 4 Grosvenor Gardens
EH12 5JU
Edinburgh

Bankers
Barclays plc
83 Argyle Street
Glasgow G5 8DP

Solicitors
TC Young LLP
7 West George Street
Glasgow G2 1BA

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LTD

REPORT OF THE MANAGEMENT COMMITTEE

For the year ended 31 March 2026

The Management Committee has pleasure in presenting its report and the audited financial statements for the year ended 31 March 2026.

Principal activity

The principal activity of the Association is the provision of good quality, affordable rented accommodation for those in housing need.

Our Vision and Mission is that everyone living in Govanhill and Merrylee should:
Enjoy good quality, warm, safe and affordable housing that contributes to their health and wellbeing and to community pride; and

Live in a neighbourhood that is clean and well cared for, with excellent neighbourhood services and opportunities for all.

Our Strategic Objectives are:

Services	Deliver quality, value for money services that meet the varying needs and circumstances of our customers
Homes and neighbourhoods	Provide quality homes and work with our partners to make Govanhill a safer, cleaner, greener place
Assets	Manage our assets well, spend our resources wisely, and plan ahead for decarbonisation of our housing
Communities	As the community anchor organisation for Govanhill, work with the community and with partners to strengthen our community and benefit local people
Leadership and Financial	Maintain good governance and a strong financial business plan, to ensure we have the capacity to achieve our objectives
GhHA's people and organisation	Make sure GhHA is an effective and efficient organisation and that our staff are well trained, valued and supported, and motivated to provide the best possible services to our customers

The Association has a wholly owned subsidiary, Govanhill Community Development Trust Limited ("GCDT"), the objective of which is to manage commercial properties for let in the community, supporting local businesses and giving them a base of operations in our community, together with managing a number of grant-funded activities aimed at supporting our community and enhancing its residents' lives.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

Most of our homes are traditional tenement buildings, and the table below shows the number of homes that we manage:

Managed Property Numbers	2026	2025
General Needs Affordable Housing	2,770	2,769
Supported Housing	99	99
Shared Equity	2	2
Total	**2,871**	**2,870**

Financial Review

The Association made a surplus in the year of £1,939,229 (2025 - £5,088,246). This surplus does not represent additional cash funds generated.

During the budget setting process, a potential breach in one of our lenders' covenants was identified. The Management Committee was proactive in instructing an approach to the lender and the Association's loans with that lender were renegotiated, with more workable covenants and a lower lending margin agreed.

All surplus cash which is generated is invested in the homes of the Association's tenants. Over £38 million has been budgeted for investment into existing housing stock over the next 5 years.

The Association continues to monitor new developments in the move towards net-zero in housing.

Revenue Reserves

This reflects past years' activities and has to provide for the future including in areas like long term maintenance, loan repayments and future risk. General reserves are required to ensure the future financial stability of Govanhill Housing Association. The total revenue reserves amount to £55,716,565 which the Governing Body believes to be adequate but not excessive.

Performance

This report details the main activities undertaken by Govanhill Housing and how we have performed.

Corporate Governance

Govanhill Housing has a Management Committee (detailed on page 2) which is elected by members of the Association and is made up of tenants and local residents. It is the responsibility of the Management Committee to undertake the setting of the Association's strategy, policy and overall direction of Govanhill Housing Association. It also monitors the operational activities of the Association which the Executive Officers undertake with delegated authority and in line with the agreed policies throughout the year. The members of the Management Committee undertake their work in a voluntary, unpaid capacity.

In addition to its strategic oversight role, the Management Committee has Sub-Committees (Finance & General Purpose, Operations and Audit & Risk) which are responsible for monitoring particular operational areas of the business and which receive regular reports from the Executive officers on activities undertaken and performance

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LTD

REPORT OF THE MANAGEMENT COMMITEE

For the year ended 31 March 2026

Development & Property Services

These Services relate to all matters concerning the Association's properties and comprise a Repairs and Maintenance team, a Property Development team and a Factoring team.

The Repairs and Maintenance team manages the reactive and cyclical repairs to our tenants' homes while they are occupied and when they become empty. This includes repairs to the inside and outside of tenants' homes, arranging the annual inspection of gas systems, inspecting tenement roofs, addressing any damp and mold issues and other activities needed to ensure tenants' homes are healthy, safe and secure.

The Factoring team manages services for 1,518 owners, supporting our operations and protecting our assets through effective property management with support from our Maintenance and Development sections.

The Property Development team continues to progress several projects for the Association. 24 new homes are due for completion at the end of 2026, and a large program of kitchen and bathroom replacements has commenced.

Tenancy Services

These Services relate to all tenancy matters and include Housing and Allocations Requests, Anti-Social Behaviour Concerns, Homelessness Support, Benefits Support, Rent Setting and Arrears Management.

Quoting a prominent article in *The Scottish Housing News*, 04/06/2026

The Welfare Rights Team within Tenancy Services secured just under £5 million in financial gains for tenants over the past year, highlighting the significant impact of its co-ordinated approach to welfare rights advice and tenancy sustainment support.

Using data analysis, referrals, and frontline engagement, the team identifies tenants most at risk of financial hardship at an early stage and provides tailored, individualised advice.

The team delivers comprehensive support across a wide range of benefits, including Universal Credit, disability benefits, and devolved Scottish benefits. In addition, tenants are supported to access grants and discretionary funding, ensuring they maximise their income and are better equipped to manage financial pressures.
Beyond core welfare advice, Govanhill Housing Association also provides a range of direct financial and practical support to help tenants through difficult times.

These include:

- Education bursaries
- Crisis fund support
- Ring-fenced Tenancy Sustainment Funds
- Food vouchers
- Decoration vouchers
- Starter packs for new tenancies
- Meter money provided at sign-up

Alongside this service, the Tenancy Sustainment & Support Team plays a vital role in helping tenants sustain their homes. Working closely with individuals and families facing often complex challenges, the team provides practical, person-centred assistance, including budgeting support, help with household management, and signposting to external services. This early intervention approach is key to preventing rent arrears, reducing the risk of homelessness, and promoting stable tenancies.

The combined impact of both services extends beyond financial outcomes. Increased income, combined with ongoing support, allows tenants to meet essential living costs, reduce financial stress, and avoid crisis situations such as fuel poverty. This integrated approach strengthens tenant engagement and supports long-term wellbeing.
This work underlines the critical importance of accessible advice services and early intervention in supporting communities through continued economic uncertainty.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

Corporate Services & HR
The Corporate Services & HR team continue to support the work of Govanhill Housing Association and GCDT throughout the year.

The Corporate Services and HR team delivers an HR service to the organization and staff. This support includes recruitment, staff wellbeing, learning and development and absence management.

The team also provides essential support to the operational teams of the Association, to ensure that we comply with all relevant legislation including Health & Safety and Data Protection.

Other Matters
Going Concern
The Management Committee has a reasonable expectation that the Association has adequate resources available to continue in operational existence for the foreseeable future.

We carefully plan our major repairs work to ensure that we balance the cost of reactive and major repairs against our projected income levels to maintain cash levels as positive.

We have positive relationships with our banking partners and have access to sufficient liquidity to allow the Association to continue trading for the next 12 months.

The Association has substantial assets, much of which are unencumbered by being held as security. We have therefore continued to adopt the going concern basis of accounting in the preparation of the annual financial statements.

Principal risks and uncertainties
The Governing Body monitor the overall risk profile of the Association. In addition, the Governing Body is responsible for determining clear policies as to what the Association and considers to be acceptable levels of risk. The Governing Body review the risk appetite on an annual basis, taking into account the operating environment, strategic objectives and financial stability. Where the Governing Body 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.

Future Prospects
In February 2026, the Association's Management Committee and Senior Management Team started work on developing our new Business Strategy for the next 3 years. Based on feedback from our tenants, staff and priorities of our external stakeholders, we will be focused on the following areas in our next Strategy which will be approved by our Management Committee in June 2026:

- Improving our Customer Experience and providing support to those in need
- Improving the quality of the environment in the neighbourhoods we work in
- Transforming the way we work to become more effective and efficient
- Increasing our housing supply to respond to the housing emergency
- Improving the quality of our homes including meeting net zero standards and ensuring affordable warmth

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LTD

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITIES

For the year ended 31 March 2026

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period. In preparing these financial statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for instituting adequate systems of internal control and for:

- safeguarding assets
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable it 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.

The Management Committee is responsible for the maintenance and integrity of the financial information included on the Govanhill Housing Association website.

By Order of the Management Committee



Name: Ghazala Hakeem

Date: 01 September 2026 ……

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LTD

THE BOARD OF MANAGEMENT'S STATEMENT OF INTERNAL FINANCIAL CONTROL

For the year ended 31 March 2026

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

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

It is the Management Committee's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss or failure to meet objectives. Key elements of the Association's systems include ensuring that:

- Formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets;
- Experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- Forecasts and budgets are prepared which allow the management team and the Management Committee to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- Quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- Regulatory returns are prepared, authorized and submitted promptly to the relevant regulatory bodies;
- All significant new initiatives, major commitments and investment projects are subject to formal authorization procedures, through the Management Committee;
- The Audit & Risk Sub-Committee receive reports from Management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken; and
- Formal procedures have been established for instituting appropriate action to correct any weakness identified through external or internal audit reports;
- An internal auditor has been appointed in accordance with the requirements of Guidance Note 97/06. An audit plan was set and completed for the year. The results of the work confirm that the Association has satisfactory procedures for managing its finances.

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

By Order of the Management Committee



Name: Ghazala Hakeem

Date: 01 September 2026

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

REPORT BY THE AUDITORS TO THE MEMBERS OF

GOVANHILL HOUSING ASSOCIATION LTD ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the Financial Statements, we have reviewed your statement on page 9 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

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

Opinion

In our opinion the Statement on Internal Financial Control on page 9 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

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

Date: 09 September 2026

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GOVANHILL HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Govanhill Housing Association Limited (the 'Association') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GOVANHILL HOUSING ASSOCIATION LIMITED

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 Management Committee
As explained more fully in the Management Committee's responsibilities statement set out on page 8, the Committee 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 Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

The extent to which the audit was considered capable of detecting irregularities including fraud (cont)

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

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Association operates in and how the Association is complying with the legal and regulatory frameworks;
- inquired of management and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

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

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

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

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Section 87 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, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members, as a body, for our audit work, for this report, or for the opinions we have formed.

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

Date 09 September 2026

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 £	*Restated* 2025 £
Turnover	2	20,979,650	23,075,741
Operating expenditure	2	(18,443,391)	(18,057,573)
Operating Surplus	2	2,536,259	5,018,168
Release of Negative Goodwill		483,037	80,508
Interest Receivable & Other Similar Income		86,245	204,183
Interest Payable & Other Similar Charges	8	(1,166,312)	(1,133,613)
Defined Benefit Pension (income)/Costs		-	919,000
SURPLUS FOR THE PERIOD		1,939,229	5,088,246
Other Comprehensive Income			
Actuarial gain/(loss) in respect of Pension Schemes – SHAPS		(62,000)	(106,000)
Actuarial gain/(loss) in respect of Pension Schemes – SPF		(1,092,000)	(213,000)
TOTAL COMPREHENSIVE INCOME		785,229	4,769,246

The financial statements were approved and authorised for issue by the Management Committee and signed on its behalf on 01 September 2026

Chairperson ..... **K. Kintrea**

Secretary ..... **G. Hakeem**

Treasurer ...Muyeed Ur-Rehman **M. Ur-Rehman**

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2026

	Notes	£	2026 £	2025 £
NON-CURRENT ASSETS				
Housing properties- Depreciated Cost	12		127,268,392	122,882,095
Shared Equity Scheme - loan			282,500	282,500
Shared Equity scheme – cost			(282,500)	(282,500)
Other Tangible Fixed Assets	12		2,243,002	2,340,274
			129,511,394	**125,222,369**
INVESTMENT	14		**100**	**100**
INTANGIBLE FIXED ASSETS	16			
Negative Goodwill			(2,415,190)	(2,898,227)
CURRENT ASSETS				
Debtors	17		1,471,472	1,373,706
Cash at Bank and on Hand			9,821,066	7,106,171
			11,292,538	8,479,877
CREDITORS: Amount Falling due within one year	18		(5,920,788)	(6,043,160)
Net Current Assets			**5,371,750**	**2,436,717**
Total Assets Less Current Liabilities			**132,468,054**	**124,760,959**
Creditors: amounts falling due after more than one year			(22,509,473)	(19,652,134)
Defined Benefit Pension Asset/(Liability) – SHAPS			(918,000)	(1,070,000)
Defined Benefit Pension Asset/(Liability) - SPF			107,000	1,152,000
DEERRED INCOME				
Social Housing Grants			(51,086,521)	(47,854,634)
Other Grants	19		(2,344,495)	(2,404,845)
			(53,431,016)	(50,259,479)
NET ASSETS			**55,716,565**	**54,931,346**
EQUITY				
Share Capital	23		251	260
Revenue Reserve			55,716,314	54,931,085
			55,716,565	**54,931,345**

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2026

The financial statements were approved and authorised for issue by the Management Committee and signed on its behalf on 01 September 2026

Chairperson	.....	**K. Kintrea**
Secretary	.....	**G. Hakeem**
Treasurer	.....	**M. Ur-Rehman**

The notes on pages 19 to 41 form part of these financial statements

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN RESERVES

For the year ended 31 March 2026

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2025	260	54,931,085	54,931,345
Issue of Shares	1	-	1
Forfeited shares written off in a year	(10)	-	(10)
Other Comprehensive income	-	(1,154,000)	(1,154,000)
Surplus for the year	-	1,939,229	1,939,229
Balance at 31 March 2026	251	55,716,314	55,716,565

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2024	259	50,161,839	50,162,098
Issue of Shares	12	-	12
Forfeited shares written off in a year	(11)	-	(11)
Other Comprehensive income	-	(319,000)	(319,000)
Surplus for the year	-	5,088,246	5,088,246
Balance at 31 March 2025	260	54,931,085	54,931,345

The Notes on pages 19 to 41 part of these financial statements

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

GOVANHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF CASHFLOWS

For the year ended 31 March 2026

	Notes	31.03.2026	31.03.2025
		£	£
Net cash generated from operating activities	21	**4,819,833**	**8,105,871**
Investing Activities			
Acquisition and Construction of Housing Properties		(1,375,687)	(866,710)
Improvements to Housing Properties		(7,196,666)	(15,264,415)
Social Housing Grants received		4,751,683	1,282,184
Purchase of other Fixed assets		(46,436)	(34,809)
Net Cash Outflow from Investing Activities		**(3,867,106)**	**(14,883,750)**
Net Cash Flow Before Financing		**952,727**	**(6,777,879)**
Financing Activities			
Issues/Forfeiture of Ordinary Share Capital		(9)	1
Interest Received		86,245	204,183
Interest paid		(1,166,312)	(1,133,613)
Loan advances received		3,900,000	-
Loan Principal Repayments		(1,057,757)	(991,904)
Net Cash Inflow/(Outflow) from Financing Activities		**1,762,168**	**(1,921,333)**
Increase/(Decrease) in Cash		**2,714,895**	**(8,699,212)**
Opening Cash and Cash Equivalents		**7,106,171**	**15,805,383**
Closing Cash and Cash Equivalents		**9,821,066**	**7,106,171**

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

1. Accounting Policies

Legal Status

Govanhill Housing Association Limited is registered under the Co-operative and Community Benefit Societies Act 2014 and registered by the Financial Conduct Authority. The Association is constituted under its Rule Book and registered with the Scottish Housing Regulator as a Registered Social Landlord under the Housing (Scotland) Act 2010. The Association is a registered Scottish Charity with the number SC010307.

The Association's address is listed on page 1. Its principal activities and the nature of its operations are detailed on pages 2 to 8.

Govanhill Housing Association Ltd meets the definition of a Public Benefit Entity.

Basis of Accounting

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

The financial statements are prepared in Sterling (£).

Basis of Consolidation

Govanhill Housing Association Limited and its non-registered subsidiary (Govanhill Developments Limited) comprise a group. The Association has obtained exemption from the Financial Conduct Authority from producing Consolidated Financial Statements as provided by Section 99 (3a) of the Co-operative and Community Benefit Societies Act 2014. The financial statements represent the results of Govanhill Housing Association Limited and not of the group. Govanhill Developments Limited is a subsidiary trading company and did not generate a significant level of financial results from a group perspective.

Critical Accounting Estimates and Areas of Judgement

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

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

- SHAPS pension scheme valuation;
    - Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses (as analysed in note 20)
- Bad debt provision;
    - The Association assesses the recoverability of rent arrears through a detailed assessment process which considers tenant payment history, arrangements in place, and court action.
- Useful Lives of Components;
    - The Association estimates the useful lives of major components of its housing property with reference to surveys carried out by external qualified surveyors.
- Categorisation of improvements to Housing Properties;
    - The Association reviews all expenditure incurred on housing properties in the year and considers which expenditure should be capitalized and which should be accounted for as revenue expenditure. A reasonable proportion of expenditure on contracts in progress at the yearend is capitalized to housing properties at the year- end and then costs are subsequently allocated to components and accounted for as such within completed housing properties.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

1. Accounting Policies (continued)

Going Concern

Each year the Board approves the five-year budgets and rolling thirty-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 variances from the budget, updated forecasts for the year where necessary together with information on the key risk areas.

On that basis the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. As a result, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover and Revenue Recognition

Revenue represents rental and service charge income receivable net of losses from voids, management charges to the subsidiary (excluding VAT), income from the sale of properties, and fees and revenue-based grants receivable from the Scottish Government, local authorities and other agencies.

Rental income is recognised from the point when properties under development or acquisitions subject to major refurbishment works reach practical completion or otherwise become available for letting, net of any void losses. Revenue grants are recognised when the conditions for receipt of agreed grant funding have been met.

Social Housing Grant and Other Grants

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

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

Social Housing Grant and other grants from non-government sources received in respect of revenue expenditure are recognised using the performance model. Grants are recognised when the associated performance conditions are met.

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.

Tangible Fixed Assets – Housing Properties

Housing properties are properties for the provision of social housing or to otherwise provide social benefit and are principally properties available for rent.

Completed housing properties are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, and expenditure incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income;
- A material reduction in future maintenance costs; or
- A significant extension to the life of the property.

Development administration costs relating to new build development activities for which we receive grant funding are capitalised based on the time spent by staff on this activity, in line with the capitalisation of the grant funds received by the Association.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

1. Accounting Policies (continued)

Depreciation of Housing Properties
Housing under construction and Land are not depreciated.

The Association depreciates housing properties by major component on a straight-line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 12.:

Component	Estimated Useful Economic Life
Kitchens	15 years
Bathrooms	20 years
Central Heating	15 years
External Windows & Doors	30 years
Door entry systems & Other M&E	30 years
Lifts	15 years
Roofs	50 years
Structure	70 years

Impairment of Fixed Assets
An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Association estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the statement of comprehensive income.

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

Depreciation 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 estimated useful economic lives of the assets at the following annual rates:

Office and Commercial Premises	2% Straight Line
Computer Equipment	33 ⅓% Straight Line
Office Equipment	20%-33 ⅓% Straight Line

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

All other borrowing costs are expensed as incurred.

Taxation
The Association has charitable status and is registered with the Office of the Scottish Charity Regulator and is therefore exempt from paying Corporation Tax on charitable activities.

VAT
The Association is VAT registered, however a large proportion of income, namely rents, is exempt for VAT purposes therefore giving rise to a Partial Exemption calculation. Expenditure is shown inclusive of VAT.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

1. Accounting Policies (continued)

Employee Benefits

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

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

Retirement Benefits

The Association participated in the Scottish Housing Association Defined Benefit Pension ("SHAPS DB") Scheme and retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. The SHAPS DB scheme was closed to all employees from 1 April 2021 and employees were transferred to the Association's Defined Contribution scheme.

As at the year ended 31 March 2025, the net defined benefit pension deficit liability was £1,070,000 (2024 - £1,121,000), which has been included within the defined benefit pension liability in the financial statements. The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period within the income and expenditure account. Interest is calculated on the net defined benefit liability. Remeasurements are reported in other comprehensive income. Refer to note 26 for more details.

The Association also participates in the Scottish Housing Association Defined Contribution Pension Scheme and contributions made on behalf of employees are recognised as costs in the Statement of Comprehensive Income as they are made.

At the time of Second Stage Transfer the Association took on employees who are members of the Strathclyde Pension Fund ("SPF"), a Defined Benefit Pension scheme. In accordance with FRS102, the operating and financing costs of pension and post Retirement schemes (determined by a qualified actuary) are recognised separately in the income and expenditure account. Service costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise.

As at the year ended 31 March 2025, the net defined benefit pension surplus was £1,152,000 (2024 – £786,000), which has been included within the defined benefit pension liability in the financial statements.

Financial Instruments - Basic

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument, and are offset only when the Association currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

1. Accounting Policies (continued)

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income and expenditure.

Financial liabilities

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Mortgages
Borrowings are initially recognized at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Mortgage loans are advanced by local authorities, the Scottish Government or private lending institutions under the terms of individual mortgage deeds in respect of each property or housing scheme. Advances are available only in respect of those developments which have been given approval for Social Housing Grant by the Scottish Government.

Commitments to receive a loan are measured at cost less impairment.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

1. Accounting Policies (continued)

Provisions

Provisions are recognised when the Association has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Shared Equity Properties
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 asset investment, which is matched with the grant received.

Goodwill
Negative goodwill arose on the acquisition of housing assets and the related rent arrears from Glasgow Housing Association as part of a Second Stage Transfer. The fair value of the assets acquired exceeded the consideration paid by the Association. Negative goodwill is written back to the Statement of Comprehensive Income in equal instalments over a period of 50 years. Following review by the Management Committee, it was agreed that this negative goodwill should be written off over a 20-year period concluding in 2031. Refer to note 16.

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.

Consolidation
The Association and its subsidiary undertaking comprise a group. The Financial Conduct Authority has granted exemption from preparing group financial statements. The financial statements therefore represent the results of the Association and not the group.

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties
In the judgement of the Management Committee the entirety of the Association's housing stock is held for social benefit and is therefore classified as Property, Plant and Equipment in accordance with FRS102.

b) The Categorisation of Commercial Properties
The Association owns three small shop units which are held within tenement blocks owned for social housing. These properties are primarily held for social benefit, let to social enterprises and charities address food insecurity and youth engagement, and so they have been classified as Property, Plant and Equipment.

c) Identification of Cash Generating Units
The Association considers its cash-generating units to be 2,811 for asset management purposes.

d) Consideration of what is included in Operating Surplus
The Association considers that any gains or losses incurred when disposing of housing properties or replacing components within those properties should be accounted for within Operating Surplus reported.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

2. Particulars of Turnover, Operating Costs and Operating Surplus or Deficit

	Turnover	Operating Costs	2026 Operating Surplus/ (Deficit)	2025 Operating Surplus/ (Deficit)
	£	£	£	£
Affordable lettings activities (Note 3)	19,105,193	(16,827,170)	2,278,023	4,683,913
Other activities (Note 4)	1,874,457	(1,616,221)	258,236	334,255
Total	20,979,650	(18,443,391)	2,536,259	5,018,168
Total for previous reporting period	23,075,741	(18,057,573)	5,018,168	

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL LETTINGS

	General Needs Housing	Support Social Housing Accommodation	Shared equity housing	2026 Total	2025 Total
Revenue From Lettings	**£**	**£**	**£**	**£**	**£**
Rent receivable net of identifiable service charges	16,529,532	577,202	-	17,106,734	16,202,065
Service charges receivable	737,821	18,380	-	756,201	712,698
Gross Rents Receivable	17,267,353	595,582	-	17,862,935	16,914,763
Less: Rent loss from voids	(404,159)	(1,108)	-	(405,267)	(424,485)
Net Rents Receivable	16,863,194	594,474	-	17,457,668	16,490,278
Amortisation of Social Housing & Other Grants	1,580,145	-	-	1,580,145	1,519,795
Revenue Grants from Local Authority & Other Agencies	67,380	-	-	67,380	3,077,249
Total Income from Social Letting	18,510,719	594,474	-	19,105,193	21,087,322
Expenditure on Social Letting Activities					
Management & maintenance Administration Cost	(5,983,300)	-	-	(5,983,300)	(5,918,897)
Loss on write off historic components	(157,398)	-	-	(157,398)	(114,223)
Planned and cyclical maintenance including major repairs	(2,415,969)	(99,775)	-	(2,515,744)	(1,990,619)
Reactive Maintenance	(3,121,706)	(90,294)	-	(3,212,000)	(3,753,780)
Service Costs	(774,289)	(9,151)	-	(783,440)	(759,019)
Bad Debts- rents & Service Charges	(146,630)	-	-	(146,630)	(159,310)
Depreciation of Social Housing	(4,028,658)	-	-	(4,028,658)	(3,707,616)
Operating Costs of Social Letting	(16,627,950)	(199,220)	-	(16,827,170)	(16,403,464)
Operating Surplus/(Deficit) on Social Letting Activities	1,882,769	395,254	-	2,278,023	4,683,858
Operating surplus for affordable letting activities for previous reporting period	4,300,379	376,683	6,796	4,683,858	1,436,029

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

4. Particulars of Turnover, Operating Costs and Operating Surplus from Other Activities

							2026	2025
	Grants from Scottish Ministers	Other revenue grants	Other income	Total Turnover	Operating costs – bad debts (write off/ recovery)	Other operating costs	Operating surplus or (deficit)	Operating surplus or (deficit
	£	£	£	£	£	£	£	£
Wilder Role Activities	-	26,003	-	26,003	-	(72,213)	(46,210)	(41,404)
Factoring	-	-	1,833,542	1,833,542	-	(1,527,322)	306,220	302,634
Support Activities	-	-	3,898	3,898	-	-	3,898	9,847
Amortisation of Grant on Other Tangible assets	-	-	-	-	-	-	-	60,350
Rental of commercial property	-	-	11,014	11,014	-	(13,147)	(2,133)	6,948
Hire of Conference Hall	-	-	-	-	-	-	-	860
Donations Given	-	-	-	-	-	(3,539)	(3,539)	(4,980)
Total from other activities	-	26,003	1,848,454	1,874,457	-	(1,616,221)	258,236	334,255
Total from other activities 2025	145,600	-	1,842,819	1,988,419	(22,345)	(1,631,819)	334,255	

There were no other activities other than the activities shown above.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

5. Board members and Key Officers' emoluments

The officers are defined in Section 149 of the Co-operative and Community Benefit Societies Act 2014 as the Management Committee, the executive officers and employees of the Association reporting directly to the Director or Management Committee.

	2026	2025
	£	£
Emoluments payable to officers with emoluments greater Than £60,000 (excluding pension contributions)	474,772	340,085
Employer's pension contributions paid on behalf of officers With emoluments greater than £60,000	47,477	34,008
Total emoluments payable	522,249	374,093

	2026	2025
	£	£
Aggregate emoluments payable to the Director (excluding pension contributions)	97,490	99,509
Employer's pension contributions paid on behalf of officers With emoluments greater than £60,000	9,749	9,950
Total emoluments payable	107,239	109,459

The number of key management personnel whose emoluments, excluding pension contributions, were above £60,000 for the year was:

	2026	2025
	No.	No.
£60,001 to £70,000	-	-
£70,001 to £80,000	-	-
£80,001 to £90,000	5	3
£90,001 - £100,000	-	1

6. Employee information

	2026	2025
	No.	No.
The average monthly number of full-time equivalent persons employed during the year was	69	67
The average total number of employees employed during the year was	84	80

	2026	2025
	£	£
Staff costs were:		
Wages and salaries	2,979,772	3,186,619
Social security costs	370,658	282,372
Other pension costs	340,314	285,975
	3,690,744	3,754,966

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

7. Gain/Loss on Disposals of Housing Stock

	2026	2025
	£	£
Included in the operating surplus for the year are the following gains incurred On housing stock:	157,398	114,232

8. Interest payable

	2026	2025
	£	£
On bank loans and overdrafts	1,166,312	1,133,613

9. Other finance charges

	2026	2025
	£	£
Defined benefit pension (income)/costs	-	919,000

10. Operating surplus before taxation

			2026	2025
			£	£
Surplus on ordinary activities before taxation is stated after charging/(crediting):				
Depreciation	-	tangible owned fixed assets	4,172,367	3,789,961
Amortisation	-	housing association grant	(1,580,145)	(1,580,145)
Auditors' remuneration	-	audit services	20,000	17,400
Operating lease rentals	-	other	4,200	8,400

11. Tax on surplus on ordinary activties

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

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

12. Fixed assets

Housing Properties

	Housing properties held for letting	Housing properties in the course of construction	Shared equity properties held for letting	Total
Cost	£	£	£	£
As at 1 April 2025	163,843,839	18,129,582	135,086	182,108,507
Additions	1,375,687	7,196,666	-	8,572,353
Disposals	(508,289)	-	(85,260)	(593,549)
Transfers	6,789,284	(6,789,284)	-	-
As at 31 March 2026	171,500,520	18,536,964	49,826	190,087,311
Depreciation				
As at 1 April 2025	59,091,325	-	135,086	59,226,411
Charge for the year	4,028,658	-	-	4,028,658
On Disposals	(350,892)	-	(85,260)	(436,152)
As at 31 March 2026	59,091,325	-	49,826	62,818,918
Netbook Value				
As at 31 March 2026	108,731,428	18,536,964	-	127,268,392
As at 31 March 2025	104,752,513	18,129,582	-	122,882,095

Expenditure on works to existing properties	**2026**	**2025**
	£	**£**
Replacement component spend capitalised	4,262,353	10,489,521
Amounts charged to income and expenditure	896,292	676,080
Total major repairs spend	5,158,645	11,165,601

There were no capitalised interest or development administration costs.

The properties acquired at Second Stage Transfer on 31 January 2011 were included at fair value using EUV-SH basis of valuation.

The Association would not be able to sell these properties at these values without repaying Social Housing Grant from the proceeds of sale, but Social Housing Grant would be subordinated behind any private loans charged on these properties. Other grants received are repayable under certain circumstances.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

13. Fixed assets (continued)

Housing stock	**2026**	**2025**
	No.	No.
The number of units of accommodation in management at the year-end was:		
General needs - rehabilitation	2,770	2,769
Supported housing	99	99
Shared equity	2	2
	2,871	2,870

Other tangible assets

	Heritable office property	**Computer and office equipment**	**Commercial Premises**	**Total**
Cost	£	£	£	£
As at 1 April 2025	3,425,433	1,083,591	81,990	4,591,014
Additions	-	46,436	-	46,436
Disposals	-	(868,201)	-	(868,201)
As at 31 March 2026	3,425,433	261,827	81,990	3,769,250
Depreciation				
As at 1 April 2025	1,328,395	894,874	27,471	2,250,740
Charge for the year	69,488	72,581	1,640	143,709
On Disposals	-	(868,201)	-	(868,201)
As at 31 March 2026	1,397,884	99,254	29,111	1,526,248
Netbook Value				
As at 31 March 2026	2,027,549	162,573	52,880	2,243,002
As at 31 March 2025	2,097,038	188,717	54,519	2,340,274

Grants received to fund the acquisition and development of commercial premises are repayable in certain circumstances. Where this arises from the sale of properties, repayment of the grant would be subordinated behind any private loan charged on these properties.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

14. Investments	**2026**	**2025**
	£	**£**
Cost		
As at 1 April 2024 and 31 March 2026	100	100

This represents a 100% Shareholding Govanhill Housing Association has in its subsidiary company. Govanhill Community Development Trust, a company registered in Scotland.

	2026	**2025**
	£	**£**
Aggregate capital and reserves		
Govanhill Community Development Trust	561,130	433,056
Profit/(loss) for the year		
Govanhill Community Development Trust	128,074	42,348

In the opinion of the Management Committee the aggregate value of the assets of the subsidiary is not less than the aggregate of the amounts at which those assets are stated in the Association's Statement of Financial Position.

15. Commitments under operating leases

The company as a lessee:
The total future minimum lease payments under non-cancellable operating leases are as follows:

	2026	**2025**
	£	£
Within 1 year	-	4,200
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

16. Negative Goodwill

Housing stock	**2026**	**2025**
	£	£
As at 1 April 2025	2,898,227	2,978,735
Amortised in the year	(483,037)	(80,508)
As at 31 March 2026	2,415,190	2,898,227

Govanhill Housing Association acquired 710 homes under a Second Stage Transfer arrangement from Glasgow Housing Association in 2011. Negative Goodwill amounting to £4,192,482 was created at that time. Due to Right to Buy disposals this was reduced to £4,029,016 before amortisation adjustments between 2011 and 2018.

17. Debtors

	2026	**2025**
	£	£
Arrears of rent and service charges	632,263	556,095
Less: Provision for doubtful debts	(377,300)	(301,596)
	254,963	254,499
Prepayments and accrued income	389,069	382,201
Other debtors	600,048	575,818
Amounts owed by group undertakings	227,392	161,188
	1,471,472	1,373,706

18. Creditors: Amounts falling due within one year

	2025	**2025**
	£	£
Housing loans (Note 19)	984,078	999,174
Trade creditors	986,054	1,158,193
Rent in advance	956,204	831,101
Other taxation and social security	89,880	75,731
Other creditors	150,379	111,640
Accruals and deferred income	638,511	699,380
Deferred Housing Association Grant (Note 17)	81,616	146,157
Deferred income due within one year	1,580,145	1,580,145
Factoring in advance	452,312	437,400
Pension creditor	1,609	4,238
	5,920,788	6,043,159

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

19. Creditors: Amounts falling due after more than one year	**2026** £	**2025** £
Housing loans	22,509,473	19,652,134

Included within housing loans is £84,750 of monies held on behalf of sharing owners who participated in the Shared Equity Scheme.

Housing loans are secured by specific charges on the Association's housing properties. The total of the secured items are 780 units. The interest rates of the bank loans range between fixed rate loans 2.9%-3.15%; and Base Plus loans +1.5%-1.85%

	2026 £	**2025** £
Within one year	984,078	999,174
Between one and two years	922,078	1,015,964
Between two and five years	2,976,234	3,244,649
In five years or more	18,611,161	15,391,521
	23,493,551	20,651,308
Less: Amount shown in current liabilities	(984,078)	(999,174)
	22,509,473	19,652,134

	2026 £	**2025** £
Deferred Housing Association Grant		
Balance b/fwd	47,854,634	48,094,819
Additions in the year	4,751,682	1,279,610
Released in year	(1,519,795)	(1,519,795)
Balance c/fwd	51,086,521	47,854,634
Other Grants		
Balance b/fwd	2,404,845	2,465,195
Additions in the year	-	-
Released in year	(60,350)	(60,350)
Balance c/fwd	2,344,495	2,404,845

Analysis of the grants are as follows:-

Within one year	1,580,145	1,580,145
Between one and two years	1,580,145	1,580,145
Between two and five years	4,740,435	4,740,435
In five years or more	47,110,437	43,938,900
	55,011,162	51,839,625
Less: Amount shown in current liabilities	(1,580,145)	(1,580,145)
	53,431,016	50,259,480

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

20. Retirement Benefit Obligations

Scottish Housing Association Defined Benefit Scheme ("SHAPS")

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

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5m. A Recovery Plan has been put in place to eliminate this deficit, which will run from 1 April 2026 for a period of at least four years to 31 March 2030. This may be extended to 31 March 2032 if the judgement in the court case referenced below results in additional Scheme liabilities. This position will be reviewed at the 2027 valuation.

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

The Association accounts for the Scheme as a defined benefit scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2025. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2026 to 28 February 2027 inclusive.

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

	31 March 2026
Fair value of plan assets at start of period	7,241,000
Interest income	405,000
Employer contributions	13,000
Benefits paid	(444,000)
Experience on plan assets (excluding amounts included in interest income) – gain	(83,000)
Fair value of plan assets at end of period	7,132,000

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

20. Retirement Benefit Obligations (continued)

Defined Benefit costs recognised in statement of comprehensive income

	31 March 2026
Current service cost	-
Expenses	13,000
Net interest expense	62,000
Defined benefit costs recognised in statement of comprehensive income (SoCI)	75,000

Defined Benefit costs recognised in other comprehensive income

	31 March 2026
Experience on plan assets (excluding amounts included in interest cost) – loss	(83,000)
Experience gains and losses arising on the plan liabilities – gain	258,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations – gain	(84,000)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations – gain	123,000
Total amount recognised in other comprehensive income – gain	214,000

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

The Pensions Trust Growth Plan

Govanhill Housing Association Limited participates in TPT Retirement Solutions Growth Plan ("the Plan"). The Plan is funded and is a multi-employer pension plan which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

Govanhill Housing Association Limited paid contributions at the rate of 0% during the accounting period. Members paid contributions at an average rate of 20% during the accounting period. As at the balance sheet date there were 4 active members of the Plan employed by Govanhill Housing Association Limited. Govanhill Housing Association Limited continues to offer membership of the Plan to its employees.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

20. Retirement Benefit Obligations (continued)

Strathclyde Pension Fund

As a result of the second stage transfer, 7 employees were transferred from Glasgow Housing Association Limited to Govanhill Housing Association Limited on January 31 2011. Of these 7 employees, 4 are current members of the Strathclyde Pension (SPF), a defined benefit scheme administered by Glasgow City Council. The scheme is a multi-employer scheme. Annual contributions to the scheme are based on the recommendation of the scheme actuary. Current and past service costs and are charged to the Statement of Comprehensive Income so as to spread the expected cost of providing pensions over the employees' period of service with GHA. Employees contribute between 5.1% and 6.9% of their salary. Employers' contributions were 25.17%

for 2023-24 (2022-23: 25.17%).

Unfunded early retirement pension enhancements for which GHA is liable are provided for in full when employees retire and are charged against the provision when paid.

Employer contributions for the year to 31 March 2026 were £5,000.

A formal valuation of the SPF was carried out as at 31 March 2020 by a qualified independent actuary, Hymans Robertson LLP. In order to assess the actuarial value of the SPF's liabilities as at 31 March 2023, the Scheme's actuaries have rolled forward the actuarial value of the liabilities allowing for changes in financial assumptions as prescribed under FRS 102, the Financial Reporting Standard applicable in the UK and Ireland.

The pension liability included in these financial statements includes the effect of the McCloud judgement and GMP equalisation.

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

	31 March 2026
Fair value of plan assets at start of period	2,422,000
Interest income	140,000
Plan participants' contributions	10,000
Employer contributions	5,000
Benefits paid	(32,000)
Experience on plan assets (excluding amounts included in interest income) – loss	66,000
Actuarial losses due to other experience	-
Fair value of plan assets at end of period	2,611,000

Defined Benefit costs recognised in statement of comprehensive income

	31 March 2026
Current service cost	24,000
Net interest expense	74,000
Defined benefit costs recognised in statement of comprehensive income (SoCI)	98,000

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

20. Retirement Benefit Obligations (continued)

Defined Benefit costs recognised in other comprehensive income

	31 March 2026
Return on plan assets (excluding amounts included in interest income) – gain	(66,000)
Actuarial changes in demographic assumptions	7,000
Actuarial gains due to changes in financial assumptions	(57,000)
Actuarial losses due to other experience	8,000
Changes in the effect of the asset ceiling	1,200,000
Total amount recognised in other comprehensive income - loss	1,092,000

21. Statement of Cash Flows

Cash flows from operating activities

Cash generated from operations

	2026	2025
	£	£
Surplus for the year	2,536,259	5,018,246
Depreciation Charges	4,172,367	3,789,961
Amortisation of Goodwill	(483,037)	(80,508)
Amortisation of Grants	(1,580,145)	(1,580,145)
(Increase)/Decrease in Debtors	(97,767)	777,068
Increase/(Decrease) in Creditors	272,156	(329,751)
Non cash changes to employer pension costs	-	511,000
Net cash inflow from operating activities	4,819,833	8,105,871

22. Cash and cash equivalents

	At 1 April 2025	Movement in year	At 31 March 2026
	£	£	£
Cash at bank and in hand	7,106,171	2,714,895	9,821,066

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

22. Cash and cash equivalents (continued)

Analysis of changes in net debt	At 1 April 2025 £	Cashflow Changes £	Other Non-Cashflow Changes £	At 31 March 2026 £
Cash and cash equivalents				
Cash at bank and in hand	7,106,171	2,714,895	-	9,821,066
Borrowings				
Debt due within one year	(999,174)	15,096	-	(984,078)
Debt due after one year	(19,652,134)	(2,857,339)		(22,509,473)
	(20,651,308)	(2,842,243)	-	(23,493,551)
Total	(13,545,137)	(127,348)	-	(13,672,485)

23. Share capital

	Ordinary Shares of £1 each issued and fully paid £
At 31 March 2025	260
Issued in the year	1
Revoked in year	(10)
At 31 March 2026	251

Each member of the Association holds one share of £1 in the Association. These shares carry no right to dividend or distribution 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.

24. Reserves

Share capital – represents the nominal value of shares that have been issued.
Revenue reserves – includes all current and previous retained surpluses.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

25. Related party transactions

Members of the Management Committee are related parties of the Association as defined by the Financial Reporting Standard 102 (FRS102). Some members of the Management Committee are also tenants of the Association. Their tenancies are all on the same terms as for other tenants and no advantage can be gained from their position.

The Related Party relationship of the members of the Management Committee are summarised as:
-Members are Tenants of the Association
-Members are Factored Owners
-Management Committee members cannot use their position to their advantage.

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

Transactions with Management Committee members are as follows:	**2026**	**2025**
	£	£
Rent received from tenants on the Committee:	39,083	34,732
Rent arrears owed by tenant members of the Committee	393	141
Charges received from factored Owners on the Committee	1,238	1,334
Factors arrears owed by owner members of the Committee	-	-

Transactions between the Association and its subsidiary, Govanhill Community Development Trust, are as follows:

	2026	**2025**
	£	£
Purchases	15,963	6,007
Sales	66,204	63,626
Amounts due to	109,997	24,033
Amounts due by	227,392	161,188

26. Group Financial Statements Exemption

From the period commencing 1 April 2015 the Association gained exemption from the Financial Conduct Authority for providing group financial statements. This was obtained under section 99 of the Co-operative and Community Benefit Societies Act 2014 and had the agreement of the Auditor. Taking advantage of this exemption is still considered appropriate.

Docusign Envelope ID: 0072649A-0693-8C2A-831B-05687BBC0853

27. Capital Commitments

	2026 £	2025 £
Expenditure contracted less certified:	3,637,994	7,872,103
Funded by:		
Social housing grant	-	2,370,044
Other grant and contributions	-	75,785
Other funding	3,637,994	5,426,274
Expenditure authroised not contracted for less certified:	-	-
Funded by:		
Social housing grant	-	-
Other grant and contributions	-	-