Lochfield Park Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2026

Registered Social Landlord No. HAC268

FCA Reference No. 2444R(S)

Scottish Charity No. SC037694

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Contents

	Page
Members of the Management Committee, Executive and Advisers	1
Report of the Management Committee	2 – 8
Report by the Auditors on corporate governance matters	9
Report of the Auditors	10 -13
Statement of comprehensive income	14
Statement of financial position	15
Statement of cash flows	16
Statement of changes in equity	17
Notes to the financial statements	18 - 36

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2026

MANAGEMENT COMMITTEE

Steven Gallagher	Chairperson
Marie Quinn	Secretary
Audrey Gilfillan	Vice-Chairperson
Joyce Hennessy	Treasurer
Moira Gilfillan	
Kate Serries	
Jade McCulloch	
Helen Black	
Maria Oguntayo	
Joan Buchanan	
Olabo Odesanya	From 01/09/25 to 31/12/25

EXECUTIVE OFFICERS

Elizabeth McEachran	Director

REGISTERED OFFICE

37 Drumlanrig Avenue
Easterhouse
Glasgow
G34 0JF

EXTERNAL AUDITORS

TC Group
180 St Vincent Street
Glasgow
G2 5SG

INTERNAL AUDITORS

Cameron Audit
Ground Floor
4 Grosvenor Gardens
Edinburgh
EH12 5JU

FINANCE AGENTS

FMD Financial Services Limited

BANKERS

Virgin Money
47 Main Street
Baillieston
Glasgow
G69 6AD

SOLICITOR

TC Young
7 West George Street
Glasgow
G2 1BA

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2026

The Management Committee presents its report and the financial statements for the year ended 31 March 2026.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2444R(S)), the Scottish Housing Regulator as a registered social landlord (No. HAC268) under the Housing (Scotland) Act 2010 and as is a registered Scottish Charity with the charity number SC037694.

Principal Activities

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

Review of Business and Future Developments.

In this review we consider performance against targets and objectives as a means of assessing performance and identifying the priorities for the coming year. The Association has continued to operate during a period of transition and senior officer recruitment, while maintaining services to tenants, meeting regulatory requirements and progressing key governance, finance, maintenance and development actions.

The monthly Director reports and action tracker show that the Association continued to perform well during the year. A number of key actions were completed, while some longer-term items, including the Business Plan review, Asset Management Strategy review and internal audit tender, will continue into 2026/27.

Positives from the last 12 months included:

- The 2024/25 annual accounts produced another clean audit and satisfactory Management Letter from Alexander Sloan.
- The approved Options Appraisal was submitted to the Scottish Housing Regulator, who confirmed they were satisfied with its content.
- The Annual Assurance was completed, submitted to the Regulator and published on the Association's website.
- A successful Annual General Meeting was held in September 2025, with 31 delegates attending.
- The Annual Return on the Charter was distributed to tenants and published on the Association's website.
- Committee appraisals were completed and a training programme was prepared for the Management Committee.
- The rent consultation was carried out using CX Feedback, paper returns and direct tenant contact, with the 2026/27 rent increase approved and issued to tenants.
- High interest savings arrangements were reviewed, with the Virgin Money investment increased to £2 million for a further 12 months at 4%.

- The Stock Condition Survey was completed, giving the Association updated information to support planned and cyclical projections.
- The Paint Contract tender was completed, with three contractors added to the framework and works scheduled to begin in spring 2026.
- The Reactive Repairs Framework tender progressed, with the framework set to commence in Spring 2026.
- The Gas Servicing Contract tender was published with the successful contractor in place from 1st June 2026.
- A programmed roof replacement scheme for Phase 4B was implemented.
- The Brucefield Park Empty Homes project continued, with completed properties brought back into use.
- The Association contributed to the local community through Christmas food vouchers, children's selection boxes and a donation to the Easterhouse Sports Centre Lead the Change programme, CHAS through EVH and Wee Betty's Christmas Appeal.

Finance / Business planning

During the last year:

- We received a clean audit report and satisfactory Management Letter from our external auditors.
- Approved and submitted the Annual Accounts to the SHR and all other required agencies.
- Reviewed and approved the Quarterly Management Accounts as part of the normal finance reporting cycle.
- Prepared and reviewed the Five-Year Financial Projections and continued work on the 30 Year Planned Maintenance projections.
- Completed the rent review and tenant consultation process with a 5.8% rent increase approved for 2026/27.
- Maintained the Association's approach to strong treasury management, including the increased Virgin Money at 4%.
- Submitted the Annual Financial Statement and other statutory returns within the required timescales.
- Continued the Business Plan review process, with a Strategy Review Day arranged for 11th June 2026 following senior officer recruitment.

The Association has maintained sound financial control during the year. Full year-end performance is confirmed through the 2025/26 accounts, ARC statistics and final management accounts.

Maintenance

The Stock Condition Survey was carried out on 30% of the Association's stock. This identified internal and external repairs and provided updated lifespan information for major components within the stock.

The findings from the Stock Condition Survey will be used to support the Asset Management Strategy review and future planned maintenance projections.

The Paint Contract tender was completed and three contractors were added to the framework.

The Reactive Repairs Framework tender was issued with a much higher number of returns than anticipated. The new framework will commence in May 2026.

The Gas Servicing Contract was reviewed, the existing arrangement with City Building will be brought to an end from 31st May 2026, and the new tender process was advertised with the aim of appointing a contractor from 1st June 2026.

Ground maintenance works progressed, with additional works completed to common areas throughout the neighbourhood. The contract was reviewed and Caledonian Maintenance appointed for a further 12 months.

Reactive repairs, gas servicing, planned maintenance and asset management will remain important areas of focus in 2026/27. The new frameworks and updated stock condition information should help the Association plan works more effectively and continue to make best use of available resources.

Housing Management

Housing Management staff continued to support tenants and maintain the Association's core landlord services during the year.

The Property Management Review for 2024/25 was presented and provided the key statistics for the Annual Return on the Charter.

The Annual Return on the Charter was prepared, with performance information published and issued to tenants through the Annual Report.

The rent consultation process was completed using CX Feedback, paper surveys and direct tenant contact to capture as many views as possible.

Tenants were issued with rent increase letters following approval of the 2026/27 rent increase, and support was offered where tenants needed to update Universal Credit journals.

A full waiting list review was carried out, allowing the Association to maintain accurate records and complete allocations quickly reducing void time.

The Association continued to use tenant newsletters and feedback exercises to keep tenants informed and support tenant engagement.

The Association's Image

We have continued to project a positive image over the last twelve months through:

- Producing newsletters to tenants.
- Producing and publishing the Annual Return on the Charter.
- Holding a successful AGM in September 2025.
- Continuing to contribute to the Brucefield Park Empty Homes project.
- Completing and publishing the Annual Assurance Statement.
- Using CX Feedback and other methods to promote tenant consultation and engagement.

- Providing Christmas food vouchers to qualifying older tenants and selection boxes to children.
- Supporting the Easterhouse Sports Centre Lead the Change programme with a one-off donation of £500, CHAS £500 and Wee Betty's £150.

Development

The Brucefield Park Empty Homes project continued during the year, with works completed at 102 Lochdochart Road and the property let.

Works were completed at 1 Glenelg Quadrant, which was purchased in April 2025, and the property was placed out on offer.

Further potential Empty Homes purchases were considered, although one property was not pursued due to its poor condition and likely excessive refurbishment costs.

The Association continued to pursue Phase 12 Twinlaw Street, with Glasgow City Council reviewing the earlier feasibility study. A potential new development opportunity within the area was identified and initial steps to progress this development are being pursued.

Development opportunities remain challenging, but the Association has continued to pursue realistic options where they support the needs of the area and remain financially viable.

Governance

The Management Committee continued to show strong commitment to the organisation and the community during the year. Committee appraisals were completed, the Annual Assurance Statement was reviewed and submitted, and the Association continued to meet its key regulatory and reporting requirements.

The Annual Assurance Statement and supporting evidence bank were completed and presented to Committee.

The Options Appraisal was submitted to the Scottish Housing Regulator and no further questions were raised.

The Association maintained required returns to the SHR, FCA, OSCR, lenders and other bodies.

Notifiable events relating to the internal auditor rebrand and the appointment of a permanent Senior Officer were reported to the Regulator and closed with no further information required.

The Regulator raised a point regarding the level of detail in Management Committee minutes, and the Association confirmed that minutes would be reviewed in line with guidance.

The internal audit programme continued, including the Void Policy and Procedure audit, with a tender for future internal audit services being prepared.

Staffing Matters

In my opinion the staff team has performed well over the last 12 months during a period of organisational transition. Staff have continued to maintain services to tenants, support Committee reporting and progress key improvement actions across governance, finance, housing management and maintenance.

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2026

The Staffing Sub-Committee continued to meet as required, and staff development and support remained under review. The Association also agreed to introduce a new Electric Vehicle Salary Sacrifice scheme, reflecting a continued commitment to staff benefits, and sustainability.

Conclusion

Overall, the Association has had a positive year. Core services have continued to be delivered, key governance and regulatory requirements have been met, and important procurement, maintenance and development activity has progressed. The coming year should focus on completing the Business Plan review, finalising the Asset Management Strategy, embedding the new repairs and gas servicing arrangements, and continuing to support tenants through clear communication and good quality services.

Management Committee and Executive Officers
The members of the Management Committee and the Executive officers are listed on page 1.

Each member of the Management Committee holds one fully paid share of £1 in the Association. The Executive Officers hold no interest in the Association's share capital and, although not having the legal status of directors, they act as executives within the authority delegated by the Management Committee.

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

Statement of Management Committee's Responsibilities
The Co-operative and Community Benefit Societies Act 2014 requires the Management Committee to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those financial statements the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in business; and
- prepare a statement on internal financial control.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to: ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

Going Concern
Based on its budgetary and forecasting processes the Management Committee has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future; therefore, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2026

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

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

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

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the Management Committee to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Management Committee;
- the Management Committee receives reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

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

Disclosure of Information to the Auditor
The members of the Management Committee at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditors are unaware. They confirm that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Auditor
A resolution to reappoint the Auditors, TC Group, will be proposed at the Annual General Meeting.

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2026

By order of the Management Committee

MARIE QUINN
Secretary
12 August 2026

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

REPORT BY THE AUDITORS TO THE MEMBERS OF LOCHFIELD PARK HOUSING ASSOCIATION ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the financial statements, we have reviewed your statement on page 7 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

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

Opinion

In our opinion the Statement of Internal Financial Control on page 8 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the financial statements.

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

TC GROUP
Business Advisers and Accountants
Statutory Auditors
GLASGOW
12 August 2026

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCHFIELD PARK HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026

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

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2026 and of the surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024.

Basis of Opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 audit opinion.

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

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

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

Other Information
The Management Committee is responsible for the other information. The other information comprises the information contained in the annual 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCHFIELD PARK HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026 (continued)

Other Information (Contd.)
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.

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 require us to report to you if, in our opinion:

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

Responsibilities of the Management Committee
As explained more fully in the statement of Management Committee's responsibilities as set out on page 6, the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Management Committee determines is necessary to enable the preparation of the 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 intend 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCHFIELD PARK HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026 (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we gained an understanding of the legal and regulatory framework applicable to the Association through discussions with management, and from our wider knowledge and experience of the RSL sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Association, including the Co-operative and Community Benefit Societies Act 2014 (and related regulations), the Housing (Scotland) Act 2010 and other laws and regulations applicable to a registered social housing provider in Scotland. We also considered the risks of non-compliance with the other requirements imposed by the Scottish Housing Regulator and we considered the extent to which non-compliance might have a material effect on the financial statements.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Association's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing the Association's Assurance Statement and associated supporting information; and
- reviewing correspondence with the Scottish Housing Regulator.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCHFIELD PARK HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026 (continued)

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

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our Report

This report is made solely to the Association's members as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC GROUP
Business Advisors and Accountants
Statutory Auditors
GLASGOW
12 August 2026

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026		2025	
		£	£	£	£
Revenue	2		4,127,616		*3,961,906*
Operating costs	2		3,065,766		*2,880,867*
OPERATING SURPLUS			1,061,850		1,081,039
(Loss)/ Gain on sale of housing stock	7	4,011		-	
Interest receivable and other income		121,192		*123,248*	
Interest payable and similar charges	8	(589,116)		*(645,313)*	
Other Finance income/(charges)	10	(10,000)		*(10,000)*	
			(473,913)		*(532,065)*
SURPLUS FOR THE YEAR			**587,937**		***548,974***
Other comprehensive income					
Actuarial gains/(losses) on defined benefit pension plan	18		42,000		(26,000)
TOTAL COMPREHENSIVE INCOME			**629,937**		***522,974***

The results relate wholly to continuing activities.

The notes on pages 18 to 36 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Notes	2026		2025	
		£	£	£	£
NON-CURRENT ASSETS					
Housing properties - depreciated cost	11		40,973,618		*42,032,176*
Other tangible assets	11		520,800		*530,023*
			41,494,418		*42,562,199*
CURRENT ASSETS					
Receivables	12	127,154		*207,029*	
Investments	13	1,174,515		*1,134,706*	
Cash and cash equivalents	14	2,817,540		*2,559,350*	
		4,119,209		*3,901,085*	
CREDITORS: Amounts falling due within one year	15	(737,990)		*(789,837)*	
NET CURRENT ASSETS			3,381,219		*3,111,248*
TOTAL ASSETS LESS CURRENT			44,875,637		*45,673,447*
CREDITORS: Amounts falling due after more than one year	16		(9,972,861)		*(10,451,916)*
PENSIONS AND OTHER PROVISIONS					
Scottish housing association pension scheme	18	(106,000)		*(210,000)*	
			(106,000)		*(210,000)*
DEFERRED INCOME					
Social housing grants	19	(23,238,127)		*(24,124,113)*	
Other grants	19	(1,529,464)		*(1,488,163)*	
			(24,767,591)		*(25,612,276)*
NET ASSETS			**10,029,185**		***9,399,255***
EQUITY					
Share capital	20		160		*167*
Revenue reserves			10,135,025		*9,609,088*
Pension reserves			(106,000)		*(210,000)*
			10,029,185		***9,399,255***

The financial statements were approved by the Management Committee and authorised for issue and signed on 12/08/2026

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

The notes on pages 18 to 36 form an integral part of these financial statements.

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Notes		2026		2025
		£	£	£	£
Surplus for the Year			587,937		*548,974*
Adjustments for non-cash items:					
Depreciation of tangible fixed assets	11	1,250,142		*1,255,005*	
Amortisation of capital grants	19	(883,595)		*(856,848)*	
Gain on disposal of tangible fixed assets		(4,011)		-	
Non-cash adjustments to pension provisions		(62,000)		*(50,000)*	
Share capital written off	20	(14)		*(3)*	
			300,522		*348,154*
Interest receivable			(121,192)		*(123,248)*
Interest payable	8		589,116		*645,313*
Operating cash flows before movements in working capital			1,356,383		*1,419,193*
Change in debtors		1,923		*5,996*	
Change in creditors		(88,311)		*(272,831)*	
			(86,388)		*(266,835)*
Net cash inflow from operating activities			1,269,995		1,152,358
Investing Activities					
Acquisition and construction of properties		(231,270)		*(157,734)*	
Purchase of other fixed assets		(13,668)		*(549)*	
Social housing grant received		77,952		-	
Social housing grant repaid		(69,690)		-	
Other grants received		84,043		*88,666*	
Changes on short term deposits with banks		(39,809)		*(45,550)*	
Proceeds on disposal of housing properties		91,145		-	
Net cash outflow from investing activities			(101,297)		(115,167)
Financing Activities					
Interest received on cash and cash equivalents		121,192		*123,248*	
Interest paid on loans		(589,116)		*(645,313)*	
Loan principal repayments		(442,591)		*(561,171)*	
Share capital issued	20	7		-	
Net cash outflow from financing activities			(910,508)		*(1,083,236)*
Increase/(decrease) in cash	21		*258,190*		*(46,045)*
Opening cash & cash equivalents			2,559,350		*2,605,395*
Closing cash & cash equivalents			**2,817,540**		***2,559,350***
Cash and cash equivalents as at 31 March					
Cash	21		2,817,540		*2,559,350*
			2,817,540		***2,559,350***

The notes on pages 18 to 36 form an integral part of these financial statements.

LOCHFIELD PARK HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2026

	Share Capital	Scottish Housing Pension reserve	Revenue Reserve	Total
	£	£	£	£
Balance as at 31 March 2024	*170*	*(234,000)*	*9,110,114*	*8,876,284*
Cancellation of Shares	*(3)*	-	-	*(3)*
Other comprehensive income	-	*(26,000)*	-	*(26,000)*
Other movements	-	*50,000*	*(50,000)*	-
Surplus for the year	-	-	*548,974*	*548,974*
Balance as at 31 March 2025	***167***	***(210,000)***	***9,609,088***	***9,399,255***
Balance as at 1 April 2025	167	(210,000)	9,609,088	9,399,255
Issue of Shares	7	-	-	7
Cancellation of Shares	(14)	-	-	(14)
Other comprehensive income	-	42,000	-	42,000
Other movements	-	62,000	(62,000)	-
Surplus for the year	-	-	587,937	587,937
Balance as at 31 March 2026	**160**	**(106,000)**	**10,135,025**	**10,029,185**

The notes on pages 18 to 36 form an integral part of these financial statements.

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance and Basis of Accounting

These financial statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice for social housing providers 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods beginning on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2024. A summary of the principal accounting policies is set out below.

Revenue

Revenue comprises rental and service charge income receivable in the period, income from shared ownership first tranche sales, sales of properties built for sale, other services provided, revenue grants receivable and government grants released to income in the period.

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

Government grants are released to income over the expected useful life of the asset to which they relate. Revenue grants are receivable when the conditions for receipt of the agreed grant funding have been met.

Retirement Benefits

The Association participates in the Scottish Housing Association Pension Scheme (SHAPS), a multi-employer defined benefit scheme. Retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102.

Going Concern

On the basis that the Management Committee has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, the Association has adopted the going concern basis of accounting in preparing these financial statements.

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Housing Properties

Housing properties are held for the provision of social housing. Housing properties are stated at cost less accumulated depreciation and impairment losses. Cost includes acquisition of land and buildings and development cost. The Association depreciates housing properties over the useful life of each major component. Housing under construction and land are not depreciated.

Component	*Useful Economic Life*
Land	Not Depreciated
Kitchen Units	Over 15 years
Bathroom Suites	Over 25 years
Windows	Over 30 years
Rewiring	Over 30 years
Martec Doors	Over 30 years
Structure	Over 50 years

Depreciation and Impairment of Other Tangible Assets

Non-current assets are stated at cost less accumulated depreciation. Depreciation is charged over the expected economic useful lives of the assets at the following annual rates:

Asset Category	*Depreciation Rate*
Office Premises	2%
Furniture and Fittings	20%
Computer & Office Equipment	33%

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

Social Housing Grants and Other Capital 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 they relate.

Social housing grant attributed to individual components is written off to the statement of comprehensive income when these components are replaced.

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

Sales Of Housing Properties

First tranche shared ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the statement of recommended practice, disposals of subsequent tranches are treated as non-current asset disposals with the gain or loss on disposal shown in the statement of comprehensive income.

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.

Taxation

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

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Leases
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 or the term of the lease, whichever is shorter.

Works to Existing Properties
The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property, a material reduction in future maintenance costs, or a significant extention of the life of the property.

Capitalisation Of Development Overheads
Directly attributable development administration costs relating to ongoing development activities are capitalised.

Property Development Cost
The proportion of the development cost of shared ownership properties expected to be disposed of as a first tranche sale is held in current assets until it is disposed of. The remaining part of the development cost is treated as a non-current asset. Surpluses made on the disposal of first tranche sales are taken to the Statement of Comprehensive Income.

Property developments that are intended for resale are included in current assets until disposal.

Housing Property Managed By Agents
Where a third party manages the Association's housing property the accounting treatment reflects the substance of the transactions. The property is only excluded if the rights and obligations associated with the scheme has been transferred to the third party.

Financial Instruments - Basic
The Association classes all of its loans as basic financial instruments including agreements with break clauses. The Association recognises basic financial instruments in accordance with Section 11 of Financial Reporting Standard 102.
The Association's debt instruments are measured at amortised cost using the effective interest rate method.

Cash and Liquid Resources
Cash comprises cash at bank and in hand, deposits repayable on demand less overdrafts. Liquid resources are current asset investments that can't be disposed of without penalty and are readily convertible into amounts of cash at their carrying value.

Impairment
The Association asseses at the end of each accounting period whether there are indications that a non-current asset may be impaired or that an impairment loss previously recognised has fully or partially reversed.

Where the carrying value of non-current assets is less than their recoverable amounts the shortfall is recognised as an impairment loss in the Statement of Comprehensive Income. The recoverable amount is the higher of the fair value less costs to sell and value-in-use of the asset based on its service potential.

Impairment losses previously recognised are reversed if the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the Statement of Comprehensive Income.

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Key Judgements and estimates made in the application of Accounting Policies

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

Key Judgements

a) Categorisation of Housing Properties

In the judgement of the Management Committee the entirety of the Association's housing stock is held for social benefit and is therefore classified as Property, Plant and Equipment in accordance with FRS 102.

b) Identification of cash generating units

The Management Committee considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.

c) Financial instrument break clauses

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

d) Pension Liability

The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. The Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has decided that this method is appropriate and provides a reasonable estimate of the pension assets and liabilities of the Association and has therefore adopted this valuation method. In May 2022 the Association was informed by the Pension Trust that liabilities could, potentially, be understated. No adjustment has been made for this and more details of this can be found in note 28.

Estimation Uncertainty

a) Rent Arrears - Bad Debt Provision

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

b) Life Cycle of Components

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

c) Useful life of properties, plant and equipment

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

d) Costs of shared ownership

The Association allocates costs to shared ownership properties on an percentage basis split across the number of properties the Association owns.

e) Defined pension liability

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

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT

	Notes	2026 Turnover	2026 Operating costs	2026 Operating surplus / (deficit)	2025 Turnover	2025 Operating costs	2025 Operating surplus / (deficit)
		£	£	£	£	£	£
Affordable letting activities	3	4,127,616	3,036,859	1,090,757	*3,961,906*	*2,853,608*	*1,108,298*
Other Activities	4	-	28,907	(28,907)	-	*27,259*	*(27,259)*
Total		**4,127,616**	**3,065,766**	**1,061,850**	***3,961,906***	***2,880,867***	***1,081,039***

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

	General Needs Housing	Shared Ownership	2026 Total	2025 Total
	£	£	£	£
Revenue from Lettings				
Rent receivable net of service charges	3,161,726	46,440	3,208,166	*3,096,577*
Gross income from rent and service charges	3,161,726	46,440	3,208,166	3,096,577
Less: Rent losses from voids	4,069	-	4,069	*6,687*
Income from rents and service charges	3,157,657	46,440	3,204,097	*3,089,890*
Grants released from deferred income	873,136	10,459	883,595	*856,848*
Other revenue grants	39,924	-	39,924	*15,168*
Total turnover from affordable letting activities	4,070,717	56,899	4,127,616	*3,961,906*
Expenditure on affordable letting activities				
Management and maintenance administration costs	936,656	13,758	950,414	*947,683*
Planned and cyclical maintenance, including major repairs	585,707	-	585,707	*394,226*
Reactive maintenance costs	268,202	-	268,202	*282,995*
Bad Debts - rents and service charges	5,284	-	5,284	*2,006*
Depreciation of affordable let properties	1,215,384	11,868	1,227,252	*1,226,698*
Operating costs of affordable letting activities	3,011,233	25,626	3,036,859	*2,853,608*
Operating surplus on affordable letting activities	**1,059,484**	**31,273**	**1,090,757**	***1,108,298***
2025	*1,079,097*	*29,201*		

Planned Maintenance costs, above of £585,707 (2025 - £394,226) include major repair costs of £281,891 (2025 - £177,891).

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

	Other income	Total Turnover	Other operating costs	Operating surplus / (deficit) 2026	Operating surplus / (deficit) 2025
	£	£	£	£	£
Wider role activities	-	-	28,907	(28,907)	*(27,259)*
Total From Other Activities	**-**	**-**	**28,907**	**(28,907)**	***(27,259)***
2025	-	-	*27,259*	*(27,259)*	

5. OFFICERS' EMOLUMENTS

	2026	2025
	£	£
The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	85,627	*143,181*
Pension contributions made on behalf on Officers with emoluments greater than £60,000	13,578	*12,280*
Emoluments payable to Director (Deceased 17 August 2024) (excluding pension contributions)	-	*65,538*
Emoluments payable to Director (excluding pension contributions)	85,627	*49,183*
Total emoluments payable to Directors	85,627	*114,721*
Total emoluments paid to key management personnel	99,205	*155,461*

The number of Officers, including the highest paid Officer, who received emoluments, including pension contributions, over £60,000 was in the following ranges:-

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

6. EMPLOYEE INFORMATION

	2026	2025
	No.	No.
Average monthly number of full time equivalent persons employed during the year	9	*10*
Staff costs were:	£	£
Wages and salaries	458,087	*502,697*
National insurance costs	51,428	*47,581*
Pension costs	(3,000)	*10,000*
	506,515	*560,278*

Pension costs have decreased compared to the prior year due to a reduction in the current service costs and expenses of the defined benefit pension scheme.

7. GAIN ON SALE OF HOUSING STOCK

	2026	2025
	£	£
Sales proceeds	93,750	-
Cost of sales	89,739	-
Gain on sale of housing stock	4,011	-

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2026	2025
	£	£
On bank loans and overdrafts	589,116	*645,313*

9. SURPLUS FOR THE YEAR

	2026	2025
Surplus For The Year is stated after charging/(crediting):	£	£
Depreciation - non-current assets	1,250,142	*1,255,005*
Auditors' remuneration - audit services	11,950	*12,900*
Operating lease rentals - other	6,820	*6,820*

10. OTHER FINANCE INCOME / (CHARGES)

	2026	2025
	£	£
Net interest on pension obligations	(10,000)	*(10,000)*

11. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Shared Ownership Completed £	Total £
COST				
At 1 April 2025	59,753,270	164,891	806,850	60,725,011
Additions	79,165	152,105	-	231,270
Disposals	(25,394)	-	(98,107)	(123,501)
Transfers	217,967	(217,967)	-	-
At 31 March 2026	60,025,008	99,029	708,743	60,832,780
DEPRECIATION				
At 1 April 2025	18,368,195	-	324,640	18,692,835
Charge for Year	1,215,383	-	11,868	1,227,251
Disposals	(25,394)	-	(35,530)	(60,924)
At 31 March 2026	19,558,184	-	300,978	19,859,162
NET BOOK VALUE				
At 31 March 2026	40,466,824	99,029	407,765	40,973,618
At 31 March 2025	*41,385,075*	*164,891*	*482,210*	*42,032,176*

	2026		2025	
Expenditure on Existing Properties	*Component replacement* £	*Improvement* £	*Component replacement* £	*Improvement* £
Amounts capitalised	171,590	-	112,589	-
Amounts charged to the statement of comprehensive income	-	853,909	-	677,221

All land and housing properties are heritable.

The Association's lenders have standard securities over housing property with a carry value of £18,993,255 (2025 - £19,569,580).

11. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Office Premises £	Furniture & Equipment £	Total £
COST			
At 1 April 2025	797,078	246,719	1,043,797
Additions	-	13,668	13,668
At 31 March 2026	797,078	260,387	1,057,465
DEPRECIATION			
At 1 April 2025	271,010	242,764	513,774
Charge for year	15,942	6,949	22,891
At 31 March 2026	286,952	249,713	536,665
NET BOOK VALUE			
At 31 March 2026	510,126	10,674	520,800
At 31 March 2025	*526,068*	*3,955*	*530,023*

12. RECEIVABLES

	2026	2025
	£	£
Gross arrears of rent & service charges	74,564	*81,637*
Less: Provision for doubtful debts	(40,000)	*(40,000)*
Net arrears of rent and service charges	34,564	*41,637*
Housing grants receivable	-	*77,952*
Other receivables	92,590	*87,440*
	127,154	*207,029*

13. CURRENT ASSET INVESTMENTS

	2026	2025
	£	£
Short term deposits	1,174,515	*1,134,706*
	1,174,515	*1,134,706*

14. CASH AND CASH EQUIVALENTS

	2026	2025
	£	£
Cash at bank and in hand	2,817,540	*2,559,350*
	2,817,540	*2,559,350*

15. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026	2025
	£	£
Bank loans	485,564	*449,100*
Trade payables	46,185	*138,975*
Rent received in advance	142,402	*145,535*
Other payables	29,139	*17,527*
Accruals and deferred income	34,700	*38,700*
	737,990	*789,837*

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

	2026	2025
	£	£
Bank loans	9,972,861	*10,451,916*
	9,972,861	*10,451,916*

17. DEBT ANALYSIS - BORROWINGS

	2026	2025
	£	£
Bank Loans		
Amounts due within one year	485,564	449,100
Amounts due in one year or more but less than two years	503,427	465,564
Amounts due in two years or more but less than five years	1,623,189	1,506,490
Amounts due in more than five years	7,846,245	8,479,862
	10,458,425	*10,901,016*

The Association has a number of bank loans the principal terms of which are as follows:

Lender	*Number of Properties Secured*	*Effective Interest Rate*	*Maturity (Year)*	*Variable or Fixed*
Royal Bank of Scotland	265	5.6%	2037	Fixed
Royal Bank of Scotland	265	5.7%	2037	Fixed
Royal Bank of Scotland	265	4.3%	2034	Fixed
Royal Bank of Scotland	265	BoE Base + 0.23%	2039	Variable
CAF Bank	128	BoE Base + 1.6%	2045	Variable

The same properties are held as security by RBS for all outstanding loans.

18. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Association Pension Scheme

Lochfield Park Housing Association Limited participates in the Scottish Housing Association 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 pensions schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5m. A Recovery Plan was put in place to eliminate the deficit which runs to 31 March 2030.

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liablity 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.

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.

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

	2026	2025	2024
	£	£	£
Fair value of plan assets	1,646,000	1,732,000	1,731,000
Present value of defined benefit obligation	1,752,000	1,942,000	1,965,000
Surplus / (deficit) in plan	(106,000)	(210,000)	(234,000)
Unrecognised surplus	-	-	-
Defined benefit asset / (liability) to be recognised	(106,000)	(210,000)	(234,000)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2026 £	2025 £
Defined benefit obligation at the start of period	1,942,000	1,965,000
Current service cost	(6,000)	6,000
Expenses	3,000	4,000
Interest expense	115,000	97,000
Contributions by plan participants	66,000	67,000
Actuarial losses (gains) due to scheme experience	(269,000)	199,000
Actuarial losses (gains) due to changes in demographic assumptions	16,000	-
Actuarial losses (gains) due to changes in financial assumptions	(52,000)	(344,000)
Benefits paid and expenses	(63,000)	(52,000)
Defined benefit obligation at the end of period	1,752,000	*1,942,000*

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

	2026 £	2025 £
Fair value of plan assets at start of period	1,732,000	1,731,000
Interest income	105,000	87,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(263,000)	(171,000)
Contributions by the employer	69,000	70,000
Contributions by plan participants	66,000	67,000
Benefits paid and expenses	(63,000)	(52,000)
Fair value of plan assets at the end of period	1,646,000	*1,732,000*

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was (£158,000).

18. RETIREMENT BENEFIT OBLIGATIONS (coninued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2026 £	2025 £
Current service cost	(6,000)	6,000
Expenses	3,000	4,000
Net interest expense	10,000	10,000
Defined benefit costs recognised in statement of comprehensive income	7,000	*20,000*

Defined benefit costs recognised in the other comprehensive income

	2026 £	2025 £
Experience on plan assets (excluding amounts included in interest income) - gain /(loss)	(263,000)	(171,000)
Experience gains and losses arising on plan liabilities - gain /(loss)	269,000	(199,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	(16,000)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	52,000	344,000
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	42,000	(26,000)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) - gain / (loss)	-	-
Total amount recognised in other comprehensive income - gain (loss)	42,000	(26,000)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2026 £	2025 £	2024 £
Absolute Return	-	-	*78,000*
Alternative Risk Premia	-	-	*62,000*
Corporate Bond Fund	-	-	-
Credit Relative Value	-	-	*61,000*
Distressed Opportunities	-	-	*64,000*
Emerging Markets Debt	-	-	*30,000*
Fund of Hedge Funds	-	-	-
Global Equity	217,000	*200,000*	*199,000*
Cash	-	-	-
Infrastructure	-	-	*166,000*
Insurance-Linked Securities	3,000	*7,000*	*11,000*
Liability Driven Investment	454,000	*487,000*	*626,000*
Long Lease Property	-	*1,000*	*13,000*
Net Current Assets	25,000	*2,000*	*2,000*
Over 15 Year Gilts	-	-	-
Private Debt	-	-	*70,000*
Property	86,000	*86,000*	*73,000*
Risk Sharing	-	-	*104,000*
Secured Income	22,000	*40,000*	*58,000*
Private Equity	4,000	*2,000*	*1,000*
Opportunistic Illiquid Credit	-	-	*69,000*
Opportunistic Credit	-	-	-
Cash	1,000	*9,000*	*45,000*
Liquid Credit	-	-	-
Currency 0Hedging	-	*3,000*	*(1,000)*
Liquid Alternatives	315,000	*319,000*	-
Real Assets	163,000	*207,000*	-
Private Credit	212,000	*216,000*	-
Credit	75,000	*74,000*	-
Investment Grade Credit	69,000	*79,000*	-
High Yield	-	-	-
Total assets	1,646,000	1,732,000	*1,731,000*

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

Key Assumptions

	2026	2025	2024
Discount Rate	6.3%	*5.9%*	*4.9%*
Inflation (RPI)	3.3%	*3.1%*	*3.1%*
Inflation (CPI)	3.0%	*2.8%*	*2.8%*
Salary Growth	4.0%	*3.8%*	*3.8%*
Allowance for commutation of pension for cash at retirement	75% of max allowance		

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

	Life expectancy at age 65 years (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

19. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Total £
Capital grants received			
At 1 April 2025	40,255,278	1,759,373	42,014,651
Additions in the year	-	84,043	84,043
Eliminated on disposal	(94,906)	-	(94,906)
At 31 March 2026	40,160,372	1,843,416	42,003,788
Amortisation			
At 1 April 2025	16,131,165	271,210	16,402,375
Amortisation in year	840,853	42,742	883,595
Eliminated on disposal	(49,773)	-	(49,773)
At 31 March 2026	16,922,245	313,952	17,236,197
Net book value			
At 31 March 2026	23,238,127	1,529,464	24,767,591
At 31 March 2025	24,124,113	1,488,163	25,612,276

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

	2026 £	2025 £
Amounts due within one year	883,595	*856,848*
Amounts due in more than one year	23,883,996	*24,755,428*
	24,767,591	*25,612,276*

20. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2026 £	2025 £
At 1 April	167	*170*
Issued in year	7	-
Cancelled in year	(14)	*(3)*
At 31 March	160	*167*

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

21. STATEMENT OF CASH FLOWS

Reconciliation of net cash flow to movement in net funds

		2026		2025
	£	£	£	£
Increase / (decrease) in cash	258,190		*(46,045)*	
Change in liquid resources	39,809		*45,550*	
Cashflow from change in net debt	442,591		*561,171*	
Movement in net debt during the year		740,590		560,676
Net debt at 1st April 2025		(7,206,960)		*(7,767,636)*
Net debt at 31 March 2026		*(6,466,370)*		*(7,206,960)*

Analysis of changes in net debt	***At 01 April 2025***	***Cashflows***	***Other Changes***	***At 31 March 2026***
Cash at bank and in hand	2,559,350	258,190	-	2,817,540
	2,559,350	258,190	-	2,817,540
Liquid resources	1,134,706	39,809	-	1,174,515
Debt: Due within one year	(449,100)	442,591	(479,055)	(485,564)
Due after more than one year	(10,451,916)	-	479,055	(9,972,861)
Net Debt	(7,206,960)	740,590	-	(6,466,370)

22. CAPITAL COMMITMENTS

	2026	2025
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the finanical statements	-	72,984

The above commitments will be financed by a mixture of public grant, private finance and the Association's own resources

23. COMMITMENTS UNDER OPERATING LEASES

	2026	2025
	£	£
Other		
Due within one year	3,917	6,820
Due between 2-5 years	-	3,917

24. DETAILS OF ASSOCIATION

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

The Association's principal place of business is 37 Drumlanrig Avenue, Easterhouse, Glasgow, G34 0JF.

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

25. MANAGEMENT COMMITTEE MEMBER EMOLUMENTS

Management Committee members received £482 (2025 - £498) in the year by way of reimbursement of expenses. No remuneration is paid to Management Committee members in respect of their duties to the Association.

26. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2026 No.	2025 No.
General needs	607	*606*
Shared ownership	16	*18*
	623	*624*

27. RELATED PARTY TRANSACTIONS

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

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

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

	2026 £	2025 £
Rent received from tenants on the Management Committee and their close family members	48,323	*53,444*

At the year end total rent arrears owed by the tenant members on the Management Committee (and their close family) were £371 (2025 - £1,668).

At the year end total factoring arrears owed by owner occupiers on the Management Committee (and their close family) were £0 (2025 - £0).

Members of the Management Committee who are tenants	8	*10*
Members of the Management Committee who are owner occupiers	1	*1*

28. CONTINGENT LIABILITIES

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2026 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.