Charity registration number SC008959 (Scotland)

Company registration number SP0735RS (Scotland)

Mutuals Public Register number 735RS

THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

The Scottish Garden City Housing Society Limited (Society) is a Registered Friendly Society and a Scottish Charity. The rules governing the Society were rewritten, approved, and registered with the Financial Conduct Authority on 9th November 2021. The operating name, Veterans Housing Scotland (VHS) was adopted in 2021 and is the name the charity uses during its operation.

Patron	Her Royal Highness The Princess Royal	(December 2024)
President	The Duke of Hamilton and Brandon	
Trustees	Group Captain R G Kemp CBE QVRM AE DL Mr G W Michie Mr P Henry Major D J Hamilton Major R J W B Proctor MBE OStJ FSA SCOT Lieutenant Commander G K Nicolson MBE MCGI RN Wing Commander A M Moodie OBE QVRM AE RGN RM Group Captain D C Coombes OBE Mr A G Dzierzek Lady Anne Dalton	
Chief Executive	Mr K Gray MM	
Charity number	SC008959	
Company number	SP0735RS	
Mutuals Public Register number	735RS	
Registered office	3 Redheughs Rigg Edinburgh EH12 9DQ Tel No 0131 557 1188 Website: www.vhscot.org.uk	
Auditor	Saffery LLP 9 Haymarket Square Edinburgh EH3 8RY	
Bankers	Royal Bank of Scotland plc 32 St Andrew Square Edinburgh EH2 2YB	
Solicitors	Brodies LLP 58 Morrison Street Edinburgh EH3 8BP	

LEGAL AND ADMINISTRATIVE INFORMATION

Investment Managers	RBC Brewin Dolphin 6th Floor, Atria One 144 Morrison Street Edinburgh EH3 8BR
Building Consultants	Hardies Property and Construction Consultants 12 Atholl Crescent Edinburgh EH3 8HA

THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

CONTENTS

The Trustees submit their annual report and audited financial statements for the year ended 31 March 2026. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) FRS102 “Accounting and Reporting by Charities” (issued 2019) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Co-operative and Community Benefit Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Trustees retiral
No trustees retired from the Charity during the financial year and up to the date of signing the annual report and financial statements.

Objectives and activities
Veterans Housing Scotland will promote, advance and further the following charitable purposes:- The prevention or relief of :-
(a) such persons who have previously served in the UK Armed Forces and who while serving or after completion of service have been or become disabled (veterans); and
(b) dependents of veterans as the charity trustees may determine from time to time, in need by reason of age, ill health, disability, financial hardship or other disadvantage by:-
(i) the provision, construction, improvement and management of affordable rented homes;
(ii) the provision of wellbeing support; and
(iii) such other means as the charity trustees may from time to time determine
"dependents" means any person:-
(i) to whom a veteran is married;
(ii) who is the civil partner of the veteran; or
(iii) with whom the veteran is living as husband and wife or, where the veteran and other person are of the same sex, in an equivalent relationship.

Achievements and performance
The Trustees are pleased to present the achievements and performance of the charity for the year ended 31 March 2026. The report focuses on the achievements, performance, and plans for People, Properties, Partnerships, and Promotion.

The charity provides comfortable, affordable, and secure housing for disabled veterans and their dependents across Scotland. It also delivers wellbeing and tenancy sustainment, ensuring beneficiaries lead better lives with brighter futures as part of the VHS family.

Despite national and international challenges, we have made progress in serving our beneficiaries, enhancing our properties, forging partnerships, and raising awareness about our work.

We thank our beneficiaries, staff, trustees, partners, and supporters for their dedication and support. Together, we will continue to build a brighter future for disabled veterans and their families, ensuring they have a place to call home and the support they need to thrive

The financial year to 31 March 2026 was an important year for Veterans Housing Scotland. It marked our 110th anniversary and gave us the opportunity to reflect on our long history of providing homes for disabled veterans and their families.

Our work remains guided by five clear areas: People, Properties, Partnerships, Promotions and Funding. These areas help us focus our resources where they matter most, namely safe homes, practical support and better outcomes for the people we serve.

People

People remain at the heart of Veterans Housing Scotland.

Our Tenancy Sustainment Service continued to provide direct support to beneficiaries across Scotland. Our Visiting Officers completed 510 home visits during the year and made 341 referrals to external support organisations, including SSAFA, Citizens Advice Bureau, DMWS and Glasgow's Helping Heroes.

This support helps beneficiaries manage issues before they become more serious. It also allows VHS to remain close to the people we support, understand their needs and respond quickly when circumstances change.

Our Income Maximisation Service, also continued to develop. This work helps beneficiaries navigate the benefits system, update housing costs and manage household finances. It also helps prevent rent arrears from becoming unmanageable.

The value of this support can be seen in individual cases.

One veteran faced homelessness after being given two weeks to leave his rented home. VHS was able to provide him and his family with a secure home in Montrose.

A former Army Nurse, had been sleeping in his car before VHS helped him into a safe home within one of our communities. He described the day he moved in as one of the best days of his life.

A single mother who had been sleeping on a sofa bed, secured a safe home through our Nomination Rights scheme in West Dunbartonshire. This gave her children the stability and space they needed.

These examples show why our work matters. A home is not only a building. It gives people safety, dignity and a base from which to rebuild.

Properties

VHS owns and manages 625 properties across Scotland. Many were built during the interwar years or in the 1950s. They have served generations of veterans well, but they now require major investment to meet modern standards.

During 2025/26, we invested £2.2m in essential upgrades and completed over 1800 repairs and maintenance jobs on our properties costing almost £1.4m.

To support better long-term planning, we have completed a national programme of property condition surveys. These surveys will support a fully costed ten-year asset investment plan.

We also continued to review the performance of our estate. During the year, we disposed of 7 properties, generating £814k for reinvestment. This allows VHS to focus resources on homes that are sustainable, affordable and right for future need.

Partnerships

Partnerships are central to how we extend our reach and strengthen support for beneficiaries.

During the year, VHS became formal members of the Scottish Veterans Wellbeing Alliance and Unforgotten Forces. These partnerships help us connect beneficiaries with the right support at the right time.

Our partnership with the Defence Medical Welfare Service also continued to play an important role. Backed by funding from the Armed Forces Covenant Fund Trust, this service supports beneficiaries with complex clinical and welfare needs.

We also expanded our Nomination Rights scheme. Agreements with Midlothian Council, West Dunbartonshire Council and Hanover Scotland secured homes for disabled veterans, with partner organisations maintaining the properties and VHS providing wider tenancy and wellbeing support.

This model allows VHS to support more veterans without carrying the full cost of ownership and maintenance.

Our work with the wider Armed Forces community was also recognised through the Defence Employer Recognition Scheme Gold Award. This award reflects our ongoing support for veterans, reservists and the Armed Forces community.

Promotions

Raising awareness of VHS remains essential. It helps us attract support, build partnerships and ensure the voices of our beneficiaries are heard.

Our 110th anniversary gave us a strong platform to tell the VHS story. We held civic receptions in Perth, Glasgow, Dunfermline and Edinburgh, bringing together beneficiaries, partners, supporters and civic leaders.

The anniversary was formally marked at a reception in the Great Hall at Edinburgh Castle, attended by our Patron, HRH The Princess Royal. Her Royal Highness met beneficiaries, staff and supporters, and her support brought significant recognition to the charity.

We were also delighted to once again host our Patron during a visit to Earl Haig Gardens in January during which HRH The Princess Royal planted a tree to commemorate her visit and met with beneficiaries, trustees, staff and Leonard Harper Gow, the great-grandson of our founder Lord Salvesen. This was a powerful link between our founding history and the work we continue to deliver today.

Our digital reach also grew, with more website visitors during the year. We strengthened our public profile further through the recruitment of Leonard Harper-Gow as an ambassador.

Funding

VHS continues to charge low rents, with an average rent of £316 per month. This is central to our purpose, but it also creates a financial challenge.

Rental income alone cannot meet the rising cost of maintaining and improving older homes. Many of our properties need major investment, and construction, compliance and repair costs continue to rise.

For this reason, funding has become a core part of our long-term strategy.

We launched a ten-year plan to raise £2 million per year. This work is now being taken forward with our new Head of Fundraising with a clear focus on charitable trusts and foundations.

During the year, VHS secured significant funds from the Armed Forces Covenant Fund Trust. We thank the trust for their outstanding support which has enabled us to refurbish properties through their capital grants

Looking Ahead

VHS enters its next century with a clear purpose.

We will continue to provide safe, warm and affordable homes for disabled veterans and their families. We will invest in our properties, strengthen our services and build the partnerships needed to meet growing demand.

Our founding principle remains unchanged. Disabled veterans should not struggle to secure a safe and affordable home.

That principle guided VHS in 1915. It continues to guide us today.

Financial review
Net Income and Expenditure for the year, as at 31 March 2026, shows a surplus before transfers of £899,028 (2025: surplus £2,150,354). There was a surplus of £617,116 (2025: surplus £399,661) on restricted funds and there was a surplus of £281,912 (2025: surplus £1,750,693) on unrestricted funds.

Investments
The appointed investment managers are RBC Brewin Dolphin. The Trustees have previously given the investment managers discretion to manage the portfolio with an agreed risk profile classified as “Diversified Risk”.

The investment managers provide a written report every quarter and meet with the Finance Sub-committee regularly to review the portfolio.

An investment register is held with the charity and is updated and reconciled on a monthly basis.
The value of the investment portfolio as at 31 March 2026 was £2,759,803 (2025: £2,575,758). The Finance Sub-committee are satisfied with the figures achieved by the Investment Managers.

Reserves Policy
The Charity’s Reserve Policy is that the Charity aims to hold enough reserves to function over 2 years. The Trustees have reviewed this years reserves, and recognise that due to increased costs throughout the year, the Charity’s free reserves are below that stated in the policy. After review, the Charity concludes that it has sufficient reserves to meet demands for property provision and maintenance as required by the Society’s Rules and will work back up to two years reserves levels. As at March 2026, the charity held £22,725,670 of reserves, of which £1,545,405 is restricted and £3,262,941 is unrestricted and £17,917,314 designated.

Staff Pensions
The Charity contributes to individual employee pension schemes. The amount charged to the statement of financial activities represents the contributions to the scheme in respect of the accounting period.

Remuneration of key management
The Charity’s key management was carried out by a Chief Executive, and Deputy Chief Executive. The Chief Executive works with the Main Board to identify and implement the strategic aims of the Charity. The senior management team is responsible for managing the day-to-day operation of the Charity. The arrangements for setting pay and remuneration for these key personnel are benchmarked against third sector salaries and other agencies that operate in the same sector.

Bribery Statement
This is a statement by the Board of the Scottish Garden City Housing Society Limited regarding the Charity’s commitment to meet its responsibilities under the provisions of the Bribery Act 2010 (which came into force on 1 July 2011).

“The Board and Executive Team will not tolerate bribery or corruption from Board members, staff, or anyone working on our behalf, including contractors. We are committed to carrying out our business transparently and fairly, and therefore, we operate a zero-tolerance policy towards bribery.

As an organisation with charitable status, The Scottish Garden City Housing Society Limited is committed to eliminating corruption and bribery and achieving the highest governance standards in all of its activities.”

Structure, governance and management
The Trustees who served during the year and up to the date of signature of the financial statements were:

Group Captain R G Kemp CBE QVRM AE DL
Mr G W Michie
Mr P Henry
Major D J Hamilton
Major R J W B Proctor MBE OStJ FSA SCOT
Lieutenant Commander G K Nicolson MBE MCGI RN
Wing Commander A M Moodie OBE QVRM AE RGN RM
Group Captain D C Coombes OBE
Mr A G Dzierzek
Lady Anne Dalton

Appointment and induction of Trustees
The Board of Trustees considers the appointment of new Trustees throughout the year to maintain a diverse profile and ensure that different areas of expertise are represented. The maximum number of Trustees shall be twelve, and the minimum number of Trustees shall be six.
Trustees are appointed for three years, and after that, they are eligible for re-appointment for a further three years and only in an exceptional case may Trustees complete a final three-year term.
New Trustees are invited to attend a half-day induction to become familiarised with the work of the Charity. Areas covered include:

- Duties and responsibilities of Charity Trustees
- The history of the Charity
- Organisation and management of the Charity
- Society Rules
- Funding and the current financial position of the Charity
- Plans and objectives

Decision making
Under the Rules of the Society, the Charity business is managed by a Board of Trustees, which meets a minimum of three times a year and may exercise all of the organisation's powers.

Risk management
The Charity has a Risk Register that considers all risks the Charity may be exposed to, which is reviewed regularly.

The Trustees consider the adequacy of internal control procedures and are taking steps to ensure that systems appropriate to the size and activities of the organisation are regularly reviewed, adjusted where necessary and then maintained. The appointment of our outsourced finance function to JSCA Ltd, our auditors, Saffery LLP and our legal representatives, Brodies LLP, demonstrate the Trustees' commitment to conducting regular reviews to ensure best practices are adopted by an evolving and forward-thinking Charity.

Auditor
A resolution proposing that Saffery LLP be reappointed as auditor was put to the members at the Annual General meeting in 2025.

The Trustees' report was approved by the Board of Trustees.

....
Group Captain R G Kemp CBE QVRM AE DL
Chairman
Date: 13 August 2026

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (the United Kingdom Generally Accepted Accounting Practice).

Trustees are required to prepare financial statements for each financial year, giving a true and fair view of the charity's state of affairs and the incoming resources and application of resources, including the income and expenditure of the Charity for that year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Co-operative and Community Benefit Societies Act 2014.

They are also responsible for safeguarding the Charity's assets and taking reasonable steps to prevent and detect fraud and other irregularities.

Statement of disclosure of information to the auditor
In so far as the trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the Charity auditor is aware of it.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

Opinion

We have audited the financial statements of The Scottish Garden City Housing Ltd (the ‘society’) for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the statement of changes in equity 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 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 society's affairs as at 31 March 2026 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Charity 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'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 society'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 society with respect to 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 Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the society’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 Board either intends to liquidate the society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Charities and Trustee Investment (Scotland) Act 2005 and under the Co-operative and Community Benefit Societies Act 2014 and report in accordance with regulations the Act made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for the engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable society’s financial statements to material misstatement and how fraud might occur, including through discussions with the Board, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the society by discussions with the Board and updating our understanding of the sector in which the society operates.

Laws and regulations of direct significance in the context of the society include Co-operative and Community Benefit Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the society's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the society’s policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 society in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014, and to the Society's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the society those matters we are required to state to it 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 society for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP
Statutory Auditors

Date: 19 August 2026

9 Haymarket Square
Edinburgh
EH3 8RY

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Income and endowments from:							
Donations and legacies	**3**	8,022	-	8,022	3,423	10,000	13,423
Charitable activities	**4**	2,419,884	1,021,381	3,441,265	2,359,412	867,134	3,226,546
Investments	**5**	100,512	-	100,512	103,282	-	103,282
Other income	**24**	575,278	91,516	666,794	1,481,494	39,696	1,521,190
Total income		3,103,696	1,112,897	4,216,593	3,947,611	916,830	4,864,441
Expenditure on:							
Raising funds	**6**	17,479	-	17,479	16,779	-	16,779
Charitable activities	**7**	3,005,993	495,781	3,501,774	2,196,056	517,169	2,713,225
Total expenditure		3,023,472	495,781	3,519,253	2,212,835	517,169	2,730,004
Net gains/(losses) on investments	**11**	201,688	-	201,688	15,917	-	15,917
Net incoming resources before transfers		281,912	617,116	899,028	1,750,693	399,661	2,150,354
Gross transfers between funds	**17,19, 20**	752,366	(752,366)	-	523,530	(523,530)	-
Other gains or losses		-	-	-	(1)	-	(1)
Net movement in funds		1,034,278	(135,250)	899,028	2,274,222	(123,869)	2,150,353
Fund balances at 1 April 2025		20,145,987	1,680,655	21,826,642	17,871,765	1,804,524	19,676,289
Fund balances at 31 March 2026		21,180,265	1,545,405	22,725,670	20,145,987	1,680,655	21,826,642

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	**12**		17,697,778		15,912,464
Investments	**13**		2,759,803		2,575,758
			20,457,581		18,488,222
Current assets					
Debtors	**14**	411,073		285,382	
Cash at bank and in hand		2,140,499		3,238,620	
		2,551,572		3,524,002	
Creditors: amounts falling due within one year	**15**	(283,483)		(185,582)	
Net current assets			2,268,089		3,338,420
Total assets less current liabilities			22,725,670		21,826,642
Income funds					
Restricted funds	**17**		1,545,405		1,680,655
Unrestricted funds					
Designated funds	**20**	17,917,314		16,337,098	
General unrestricted funds	**19**	3,262,941		3,808,879	
Share capital		10		10	
			21,180,265		20,145,987
			22,725,670		21,826,642

The notes on pages 14 to 31 form part of these financial statements.

The financial statements were approved by the Trustees on 13 August 2026

....	....	....
Group Captain R G Kemp CBE QVRM AE DL	Mr G W Michie	Mr K Gray MM
Trustee	**Trustee**	**Secretary**

Company registration number SP0735RS
Charity registration number SC008959
Mutuals Public Register number 735RS

THE SCOTTISH GARDEN CITY HOUSING SOCIETY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Cash generated from operations	**25**		201,970		653,189
Investing activities					
Purchase of tangible fixed assets		(2,232,243)		(1,013,977)	
Proceeds from disposal of tangible fixed assets		814,000		1,613,550	
Purchase of investments		(503,072)		(1,299,467)	
Proceeds from disposal of investments		520,712		1,325,645	
Investment income received		100,512		103,282	
Net cash (used in)/generated from investing activities			(1,300,091)		729,033
Financing activities					
Proceeds from issue of shares		-		1	
Redemption of shares		-		(2)	
Net cash used in financing activities			-		(1)
Net (decrease)/increase in cash and cash equivalents			(1,098,121)		1,382,221
Cash and cash equivalents at beginning of year			3,238,620		1,856,399
Cash and cash equivalents at end of year			2,140,499		3,238,620

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Share capital	Unrestricted	Designated	Restricted	Total
		£	£	£	£	£
Balance at 1 April 2024		11	3,596,081	14,275,673	1,804,524	19,676,289
Year ended 31 March 2025:						
Net income/(expenditure)		-	570,519	1,180,174	399,661	2,150,354
Issue of share capital		1	-	-	-	1
Redemption of shares		(2)	-	-	-	(2)
Transfers		-	(357,721)	881,251	(523,530)	-
Balance at 31 March 2025	**17,19,20**	10	3,808,879	16,337,098	1,680,655	21,826,642
Year ended 31 March 2026:						
Net income/(expenditure) before transfers		-	115,393	166,519	617,116	899,028
Transfers		-	(661,331)	1,413,697	(752,366)	-
Issue of share capital		-	-	-	-	-
Balance at 31 March 2026	**17,19,20**	10	3,262,941	17,917,314	1,545,405	22,725,670

1 Accounting policies

Charity information

The Scottish Garden City Housing Society Limited is a Registered Society registered under the Co-Operative and Community Benefit Societies Act 2014 and Registered Charity. Charity number SC008959.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Constitution, the Co-operative and Community Benefit Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives. These funds have been designated to specific purposes by the Trustees.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs are allocated to restricted and unrestricted funds according to the use of resources expended.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property	70 years to residual value (Note: WW1 and WW2 have their initial cost fully depreciated to residual value)
Roof, Render and CWI	70 years
Doors and Windows	30 years
Kitchens and Bathrooms	20 years
Office equipment	3 years

The pre and post 2008 properties transferred from The Scottish Garden City Association were fair valued at the date of transfer in 2021. The fair value was treated as the deemed cost of the properties transferred and as such are not required to be subsequently revalued. In the absence of detailed records of the original cost of individual properties, the cost of property disposed of is arrived at based on average cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The Charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially measured at transition value and subsequently measured at their settlement value.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Bad debt provision. This estimate is based on management's knowledge of tenants and historic recoverability of rental income.

Depreciation rates used for fixed assets. These estimates are based on management's assessment of useful economic life.

Residual value of property. This estimate is based on management's assessment of residual value after 70 years.

3 Income from donations and legacies

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Donations and gifts	8,022	-	8,022	3,423	10,000	13,423

4 Income from charitable activities

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Rental income	2,419,884	-	2,419,884	2,359,412	-	2,359,412
Performance related grants	-	1,021,381	1,021,381	-	867,134	867,134
	2,419,884	1,021,381	3,441,265	2,359,412	867,134	3,226,546

Performance related grants analysis

	2026 £	2025 £
The Armed Forces Covenant Fund Trust	126,989	435,392
OVA Major Capital Grant	565,510	428,242
Defence Garden Scheme	-	3,500
The Armed Forces Covenant Fund Trust - Second Tranche	290,882	-
RP Milroy Trust	5,000	-
Home Starter Kit Grant	8,000	-
Veterans Foundation	25,000	-
	1,021,381	867,134

4 Income from charitable activities **(Continued)**

Performance related grants
The grants from The Armed Forces Covenant Fund Trust are for reducing veterans homelessness. The OVA Major Capital Grant is for property improvements and renovation. The Defence Garden Scheme for communal garden work. The RP Milroy Trust Grant is for providing low cost housing and support in East Lothian. The Home Starter Kit Grant is from B&Q for Home Starter Kits.

The grant from The Veterans' Foundation is for the salary costs of a new income Maximisation Officer post. There is a contingent asset of £50,000 (2025: £nil) in relation to the grant from The Veterans Foundation. There is also a contingent liability in relation to this grant as amounts totalling £69,920 (2025: £nil) will be paid as salary to the Maximisation Officer.

There is a contingent asset of £290,882 (2025: £126,989) in relation to the grants from The Armed Forces Covenant Trust as these grants are based on performance. There is also a contingent liability in relation to these grants as amounts totalling £107,774 are due to the Defence Medical Welfare and Glasgow’s Helping Heroes (2025: £29,018 to Defence Medical Welfare) contingent on receipt of grants from The Armed Forces Covenant Fund Trust.

There is a contingent asset of £60,065 (2025: £569,306) in relation to the OVA Major Capital Grant as this grant is based on performance.

5 Income from investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Other income	100,512	103,282

6 Raising funds

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Investment management	17,479	16,779
	17,479	16,779

7 Charitable activities in relation to Housing

	2026 £	2025 £
Staff costs	547,120	445,987
Depreciation and impairment	299,726	259,950
Charitable activities	2,261,669	1,638,708
Support and consultancy	1,187	1,077
HR	1,935	3,483
Training	4,670	5,638
Central office	82,600	54,063
Insurance	9,710	10,120
Legal	2,093	22,309
Finance	103,179	92,718
	3,313,889	2,534,053
Grant funding of activities (see note 8)	136,682	99,180
Support costs	48,535	77,511
Governance costs	2,668	2,481
	3,501,774	2,713,225
Analysis by fund		
Unrestricted funds	3,005,993	2,196,056
Restricted funds	495,781	517,169
	3,501,774	2,713,225

8 Grants payable

	Grants payable 2026 £	Grants payable 2025 £
Grants to institutions:		
The Defence Medical Welfare Service	136,682	99,180

9 Net movement in funds

	2026 £	2025 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	23,730	20,430
Depreciation of owned tangible fixed assets	299,726	259,950
Gain on disposal of tangible fixed assets	(666,794)	(1,453,697)

10 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
	14	12

Employment costs	2026 £	2025 £
Wages and salaries	468,040	386,689
Social security costs	49,533	33,745
Other pension costs	29,547	25,553
	547,120	445,987

After the year end, staff pension contributions of £3,328 were outstanding (2025: £3,087).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026 Number	2025 Number
£70,000 - £80,000	1	1

11 Net gains on investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Realised and unrealised gains on investments	201,688	15,917

12 Tangible fixed assets

	WW1	WW2	Office & IT Equipment	Houses for Heroes	Property Pre 2008	Property Post 2008	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2025	1,155,230	3,989,084	26,463	4,768,531	5,757,786	1,471,543	17,168,637
Additions	799,649	1,334,870	7,691	-	63,778	26,255	2,232,243
Disposals	-	(34,913)	-	-	-	(121,308)	(156,221)
At 31 March 2026	1,954,879	5,289,041	34,154	4,768,531	5,821,564	1,376,490	19,244,659
Depreciation and impairment							
At 1 April 2025	54,846	173,437	23,238	695,571	223,957	85,124	1,256,173
Depreciation charged in the year	40,687	95,749	5,017	61,969	77,297	19,007	299,726
Eliminated in respect of disposals	-	(1,192)	-	-	-	(7,826)	(9,018)
At 31 March 2026	95,533	267,994	28,255	757,540	301,254	96,305	1,546,881
Carrying amount							
At 31 March 2026	1,859,346	5,021,047	5,899	4,010,991	5,520,310	1,280,185	17,697,778
At 31 March 2025	1,100,384	3,815,647	3,225	4,072,960	5,533,829	1,386,419	15,912,464

12 Tangible fixed assets **(Continued)**

Included in WW2 are 16 leasehold properties. (2025: 16 properties) These are included at cost £315,310, total depreciation £9,233 and carrying amount of £306,077. (2025: Cost £205,614, total depreciation £4,756, carrying amount £200,858).

Included in Houses for Heroes are 12 shared ownership properties (2025: 12 properties). These are included at cost £371,956, total depreciation £54,702 and carrying amount of £317,254. (2025: Cost £371,956, total depreciation £49,920 and carrying amount £322,036).

Included in Houses for Heroes are 14 leasehold properties. (2025: 14 properties) These are included at cost £1,387,663, total depreciation £222,352 and carrying amount of £1,165,311. (2025: Cost £1,387,663, total depreciation £204,510 and carrying amount £1,183,153).

Included in Post 2008 is 1 leasehold property. (2025: 1 property) This is included cost £121,308, total depreciation £8,604 and carrying amount of £112,704. (2025: Cost £121,308, total depreciation £7,044 and carrying amount £114,264).

13 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£	£	£
Cost or valuation			
At 1 April 2025	2,553,124	22,634	2,575,758
Additions	503,072	-	503,072
Valuation changes	118,137	-	118,137
Movement in cash	-	3,939	3,939
Disposals	(441,103)	-	(441,103)
At 31 March 2026	2,733,230	26,573	2,759,803
Carrying amount			
At 31 March 2026	2,733,230	26,573	2,759,803
At 31 March 2025	2,553,124	22,634	2,575,758

14 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Trade debtors	113,876	122,774
Other debtors	265,329	102,318
Prepayments	31,868	60,290
	411,073	285,382

15 Creditors: amounts falling due within one year

	2026	2025
	£	£
Other taxation and social security	11,396	8,577
Trade creditors	167,620	119,977
Other creditors	9,219	4,783
Accruals and deferred income	95,248	52,245
	283,483	185,582

16 Retirement benefit schemes

	2026	2025
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	29,547	25,553

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	At 31 March 2026
	£	£	£	£	£
Post 2008 Properties	1,370,569	91,516	(19,005)	(205,000)	1,238,080
Houses for Heroes Appeal	239,625	-	-	-	239,625
Iraq Veterans' Fund	10,140	-	-	-	10,140
Shawmuir Cottage	14,640	-	-	-	14,640
Armed Forces Covenant Fund Trust	29,489	126,989	(156,478)	-	-
AFCFT - OVA Major Capital	6,192	565,510	(24,336)	(547,366)	-
OP Cairngorm	10,000	-	-	-	10,000
Armed Forces Covenant Fund Trust - Second Tranche	-	290,882	(290,882)	-	-
RP Milroy Trust	-	5,000	-	-	5,000
Home Starter Kit Grant	-	8,000	-	-	8,000
The Veterans Foundation	-	25,000	(5,080)	-	19,920
	1,680,655	1,112,897	(495,781)	(752,366)	1,545,405

17 Restricted funds (Continued)

Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Post 2008 Properties	1,505,502	39,696	(19,629)	(155,000)	1,370,569
Houses for Heroes Appeal	239,625	-	-	-	239,625
Iraq Veterans' Fund	10,140	-	-	-	10,140
Shawmuir Cottage	15,000	-	(360)	-	14,640
Armed Forces Covenant Fund Trust	34,257	435,392	(440,160)	-	29,489
AFCFT - OVA Major Capital	-	428,242	(53,520)	(368,530)	6,192
OP Cairngorm	-	10,000	-	-	10,000
Defence Gardens Scheme	-	3,500	(3,500)	-	-
	1,804,524	916,830	(517,169)	(523,530)	1,680,655

The Post 2008 Properties fund holds funds restricted in connection with the values of the fixed asset properties.

The Houses for Heroes fund is to enable the Charity to build houses for disabled ex-Service personnel.

The Iraq Veterans' Fund purpose is to provide adaptation to houses for veterans of the war in Iraq.

The Shawmuir Cottage Fund purpose is to provide funding for the refurbishment of Shawmuir Cottage.

Both the Armed Forces Covenant Fund Trust and the Second Tranche of this fund have the purpose of reducing homelessness for Scottish veterans.

The transfer in 2024 was authorised for reallocation and used for property improvements, in 2025 to reallocate proceeds from property given for unrestricted purposes and for capital funds released to relevant asset class as work carried out.

OVA Major Capital fund purpose is for property improvements and renovation.

OP Cairngorm fund purpose is to provide outdoor experiences to beneficiaries through Operation Cairngorm.

Defence Gardens Scheme purpose is for maintenance and improvements to communal garden areas.

The RP Milroy Trust fund is for providing low-cost housing and support in East Lothian.

The Home Starter Kit fund is for provision of home starter kits.

The Veterans Foundation fund is for salary costs for the income maximisation officer.

18 Analysis of net assets between funds

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £
Fund balances at 31 March 2026 are represented by:			
Tangible assets	16,459,698	1,238,080	17,697,778
Investments	2,759,803	-	2,759,803
Net current assets/(liabilities)	1,960,764	307,325	2,268,089
	21,180,265	1,545,405	22,725,670

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Fund balances at 31 March 2025 are represented by:			
Tangible assets	14,541,895	1,370,569	15,912,464
Investments	2,575,758	-	2,575,758
Net current assets/(liabilities)	3,028,334	310,086	3,338,420
	20,145,987	1,680,655	21,826,642

The unrestricted funds include designated funds outlined in note 19.

19 Unrestricted funds

These are unrestricted funds which are material to the Charity's activities.

		Movement in funds					Movement in funds				
	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	(Losses)/gains	Balance at 1 April 2025	Incoming resources	Resources expended	Transfers	(Losses)/gains	Balance at 31 March 2026
	£	£	£	£	£	£	£	£	£	£	£
General Reserve	3,596,081	2,533,611	1,979,009	(357,721)	15,917	3,808,879	2,528,418	(2,614,713)	(661,331)	201,688	3,262,941

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds				Movement in funds			
	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	Balance at 1 April 2025	Incoming resources	Resources expended	Transfers	Balance at 31 March 2026
	£	£	£	£	£	£	£	£	£
Property Development/Property Fund and Repairs & Maintenance	253,428	282,800	-	74,923	611,151	-	-	162,800	773,951
OVA Major Capital	-	-	-	183,532	183,532	-	-	242,361	425,893
Selkirk Funds	9,752	-	-	-	9,752	-	-	-	9,752
Capital additions	79,524	989,800	-	(380,908)	688,416	-	-	(688,416)	-
WW1 Properties	892,418	-	(23,628)	231,595	1,100,385	-	(40,688)	799,649	1,859,346
WW2 Properties	3,210,374	-	(72,321)	677,594	3,815,647	575,278	(95,749)	725,870	5,021,046
Pre 2008 Properties	5,561,441	-	(75,907)	48,295	5,533,829	-	(77,297)	63,778	5,520,310
Post 2008 Properties	7,092	-	-	8,759	15,851	-	-	26,255	42,106
Houses for Heroes	4,134,930	-	(61,970)	-	4,072,960	-	(61,969)	-	4,010,991
Special Projects	126,714	141,400	-	37,461	305,575	-	(133,056)	81,400	253,919
	14,275,673	1,414,000	(233,826)	881,251	16,337,098	575,278	(408,759)	1,413,697	17,917,314

20 Designated funds (Continued)

Property Development Fund / Property Fund and Repairs and Maintenance – For the development of new properties and property improvement projects. Name to be Property Development Fund going forward,

Selkirk Funds – For educational purposes for tenants and families

Capital additions - For capital additions

WW1 Properties - Funds designated to hold the value of the fixed asset properties

WW2 Properties - Funds designated to hold the value of the fixed asset properties

Pre 2008 Properties - Funds designated to hold the value of the fixed asset properties

Post 2008 Properties - Funds designated to hold the value of the fixed asset properties

Houses for Heroes - Funds designated to hold the value of the fixed asset properties

Special Projects - Fund for special projects

OVA Major Capital - Fund to hold 30% contribution to capital works until used.

Transfers - The transfers in the year are mostly to reallocate the value of capital works to the relevant asset class and to reallocate proceeds from property disposals.

21 Capital commitments and post balance sheet events

At the year-end date of 31 March 2026 there were capital commitments, amounts contracted for capital projects but not provided for in the financial statements, of £1,125,491. Since the year end capital commitments of a further £979,732 have been made. Grant income of £615,788 will be received towards funding these commitments. The contingent asset of £60,065 in note 4 will also be used towards this.

22 Operating lease commitments

Lessee

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2026 £	2025 £
Within one year	87,354	85,156
Between two and five years	280,385	311,895
In over five years	187,528	270,807
	555,267	667,858

Lease payments made in the year amounted to £89,256 (2025: £57,328).

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2026 £	2025 £
Aggregate compensation	162,830	146,478

1 Trustee was reimbursed travel and accommodation expenses incurred in attending meetings. These totalled £197 for the year to 31 March 2026 (2025: 2 Trustees were reimbursed £486).

24 Other income

The Other income in the year ended 31 March 2026 includes a £666,794 (2025: £1,453,697) gain on disposal of tangible assets, £nil (2025: £14) bank compensation and £nil from an insurance claim (2025: 67,479).

25 Cash generated from operations

	2026 £	2025 £
Surplus for the year	899,028	2,150,354
Adjustments for:		
Investment income recognised in statement of financial activities	(100,512)	(103,282)
Gain on disposal of tangible fixed assets	(666,794)	(1,453,697)
Fair value (gains) and losses on investments	(201,688)	(15,917)
Depreciation and impairment of tangible fixed assets	299,726	259,950
Movements in working capital:		
(Increase) in debtors	(125,691)	(209,733)
Increase in creditors	97,901	25,514
Cash generated from operations	201,970	653,189

26 Analysis of changes in net funds

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	3,238,620	(1,098,121)	2,140,499
	3,238,620	(1,098,121)	2,140,499