AZETS

CASSILTOUN HOUSING ASSOCIATION LIMITED

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Registered Housing Association No. 84

FCA Registration No. 2190R(S)

Registered Charity No. SC035544

Cassiltoun Trust

Cassiltoun Housing Association

Cassiltoun Stables Nursery

CASSILTOUN HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT, EXECUTIVES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2026

Board of Management

Anna M Stuart MBE, Chairperson
Julie McNeil – Vice Chairperson
Gayle Fitzpatrick - Treasurer
Teresa McGowan
Allana Hammell
Faye Mitchell
Ryan Barclay
Mark Tedford
Natalie Tobin
Bridget Crossan
Pamela Gibson (co-opted 25 September 2024 & Elected at AGM on 11 August 2025)
Richard Sullivan (co-opted 29 January 2025 & Elected at AGM on 11 August 2025)
Karen Devin (co-opted 25 February 2026)
Chris O'Brien (resigned 28 May 2025)
Jennifer Gilbert (resigned 11 August 2025)

Executive Officers

Clair Malpas	Chief Executive
Clare MacLean	Housing Manager
Paula Brownlie	Head of Corporate, HR & Finance & Secretary to the Board
John Williams	Head of Asset Management

Registered Office

Castlemilk Stables
59 Machrie Road
Castlemilk
Glasgow
G45 0AZ

External Auditor	**Internal Auditor**	**Banker**	**Solicitor**
Azets Audit Services Titanium 1 King's Inch Place Renfrew PA4 8WF	Wylie & Bissett 168 Bath Street Glasgow G2 4TP	Bank of Scotland 110 St Vincent Street Glasgow G2 5ER	T C Young 7 West George Street Glasgow G2 1BA

Registration particulars

Financial Conduct Authority	Co-operative and Community Benefit Societies Act 2014 Registered Number 2190 R(S)
Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered Number 84
Office of the Scottish Charity Regulator	Charities and Trustee Investment (Scotland) Act 2005 Scottish Charity Number SC 035544

CASSILTOUN HOUSING ASSOCIATION LIMITED

CONTENTS

FOR THE YEAR ENDED 31 MARCH 2026

The Board of Management presents its Report of the Board of Management (incorporating the Strategic Report) and the financial statements for the year ended 31 March 2026.

Principal Activities

The principal activity of Cassiltoun Housing Association Limited is the development, management, and maintenance of housing for people in housing need.

The Association has two subsidiaries, Cassiltoun Trust and Cassiltoun Stables Nursery Limited. Cassiltoun Trust is a charitable company established to conserve for the benefit of the public, buildings of historical and architectural significance; advance knowledge about the history and role of Castlemilk; and provide facilities for education, training, employment, and recreational time. The principal activity of Cassiltoun Stables Nursery Limited is to provide a first-class nursery childcare facility for 0–5-year-olds set alongside a local park and woodland environment.

Cassiltoun Housing Association Limited is registered with the Financial Conduct Authority as a Community Benefit entity, The Office of the Scottish Charities Regulator (OSCR) as a Charity and the Scottish Housing Regulator as a Registered Social Landlord. The Association is incorporated in Scotland.

The table below shows the property we own: -

	2026	*2025*
	£	*£*
Managed Property Numbers		
Tenanted Property	**1,079**	*1,077*
Shared Ownership Properties	**2**	*2*
Buchanan Lodge Residential Home (bedspaces)	**40**	*40*
Total	**1,121**	*1,119*

Our Strategic Aims

Cassiltoun Housing Association Limited has as its Strategic Aims:

- Delivering Value for Money;
- Provide high quality homes and neighbourhoods;
- Involve tenants in shaping our decisions;
- Robust governance and compliance;
- Support our people achieve their potential; and
- Assist our community to thrive.

Our Mission Statement

We aim to enhance the quality of life of our clients and to regenerate and sustain our community through housing-led and resident controlled initiatives.

Our Operational Objectives 2025/26

Strategic Objectives	Operational Objective
Delivering Value for Money	Meet all objectives set out in the annual KPI's and SMART plans
	Achieve high levels of customer satisfaction (90%) with our Reactive, Cyclical and Environmental contracts
	Develop tenant portal
	Rent review
Provide High Quality Homes and Neighbourhoods	Develop EESSH2/Net Zero compliance plan (guidance pending)
	Achieve all statutory requirements for landlord health and safety.
	Complete a Stock Conditions Survey and update Asset Management Plan and investment programme
Involve Tenants in shaping our decisions	Produce a tenant scrutiny report
	Deliver a series of tenant engagement events
	Utilise our community programmes to engage with tenants and residents
Robust Governance and Compliance	Complete Internal Audit programmes and implement recommendations
	Submit 2025 Annual Assurance Statement and meet Regulatory Requirements to achieve a compliant status with the SHR
	Ensure that all Business plans and management agreements across the group are reviewed and approved
	Gain Cyber Essentials accreditation
	Deliver 2025 Business planning day with Board
Support Our People achieve Their potential	Ensure the Board compete their induction, training plans and annual appraisals
	Ensure staff complete annual appraisals, 6 month reviews, 1-2-1's and implement agreed training plans
Assist our community to thrive	Deliver outcomes set out by existing funders
	Seek new funding in line with priorities in Community Development plan

Financial Review

Association

The Association generated a surplus for the year of £711,544 with other comprehensive income of £34,000 in respect of the actuarial gains and losses for the Strathclyde Pension Scheme and the SHAPS Pension Scheme to give total comprehensive income of £745,544. The Association had net assets as at 31 March 2026 of £10,892,088.

Group

The Group generated a surplus for the year of £891,583 with other comprehensive income of £34,000 in respect of the actuarial gains and losses for the Strathclyde Pension Scheme and the SHAPS Pension Scheme to give total comprehensive income of £925,583. The Group had net assets as at 31 March 2026 of £11,989,337.

Financial and Non-Financial Key Performance Indicators

Association

	2025/26	2024/25
Staff costs / Turnover	**21.7%**	*21.8%*
Management administration costs / Turnover	**32.6%**	*33.9%*
Reactive maintenance / Gross rental income net of voids	**17.3%**	*16.6%*
Bank loan interest cover (operating surplus/bank loan interest)	**1.5times**	*1.3 times*
Debt per housing unit (general needs)	**£7,575**	*£8,022*

Group

	2025/26	2024/25
Staff costs / Turnover	**28.1%**	*26.0%*
Average number of days to pay suppliers	**31 days**	*32 days*

Principal Risk and Uncertainties

The Cassiltoun Group has a robust planning framework in place which includes how we manage risk and uncertainties. Each part of the Group has a risk register which is regularly reviewed by the staff team, the Audit and Risk Sub-Committee and the respective Boards.

One of our identified risks was in relation to operational performance (rent arrears and voids). Over the past two years the Association has been focusing on improving operational performance and consolidating and improving staff skills and knowledge which has had a positive impact on overall results.

The Association is a member of the SHAPS and the Strathclyde Pension scheme and manages the risk and liabilities by regularly reviewing its pension schemes, effective monitoring and ensuring that all costs are included in its long-term business plan. A full pension review was completed in 2025/2026 with changes taking effect to both the employer contribution rate for the SHAPS Defined Benefit scheme and the Strathclyde Pension scheme in 2026/2027.

We have been busy responding to new Regulatory requirements around damp and mould and investing to improve our homes. Our tenant satisfaction survey this year showed improved performance in most areas but highlighted further work needs to be done around satisfaction with repairs, the estate and demonstrating that tenant’s rent is value for money. We are confident that new contractors and significant investment in our homes will increase satisfaction levels and value for money indicators.

At Cassiltoun, and in the sector as a whole, there continues to be risks around cyber security and in 2025/2026 the Association obtained Cyber Essentials accreditation.

Future Plans

Association

In 2026/27, the Association will embark on a new programme of investment work in its stock and further digital improvements, for example the creation of a tenants' portal.

Group

Cassiltoun Stables Nursery provides both indoor and outdoor childcare. Its future plans are to continue to develop the excellent standards of childcare, recruit and retain its dedicated staff team and continue to improve the Nursery facilities.

Cassiltoun Trust will continue its work with the wider community both in the Stables and in the local woodland by offering a wide range of community focused activities, improving the greenspace, and creating opportunities for volunteering and training.

Corporate Governance

Our governing body is our Board of Management which is responsible to the wider membership. Board of Management members serve in a voluntary and unpaid capacity, and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work.

The Board of Management is elected by the members of the Association. It is the responsibility of the Board to oversee and lead the strategy and overall direction of the Association, set policy, and monitor the operational activities of the Association and its subsidiary companies.

Going Concern

The Board of Management has reviewed this year's results and projections for the next 30 years. It has a strong expectation that the Group and Association has adequate resources to continue in operational existence for the foreseeable future.

Performance Management

Our strong performance is underpinned by a planning framework which includes SMART plans, a Risk Register, SWOT and PEST analysis, regular monitoring of organisational KPI's, the Asset Management Plan and the Association's Financial Business Plans.

The Association produces its Tenants Charter Report Card every Autumn which outlines our charter performance and how we benchmark both locally and against the Scottish average.

Best use of resources

The Association continues to ensure that is makes best use of its resources. We look for internal efficiencies that save both time and money whilst providing high quality services to our tenants and wider customers. We seek best value in our procurement activities and attract funding for posts and projects that support the Association's objectives. We invest in our staff team and volunteers as our ongoing performance, innovation and strong customer focus depends on a highly motivated, highly engaged, and well-trained team.

Our repairs performance is detailed below;

CATEGORY	NUMBER	Average time to complete	%COMPLETED RIGHT FIRST TIME
Emergency	1334	2.68 hours	N/A
Urgent & Routine	3070	5.5 days	
Right First Time	2961 (number out of 3070 right first time)	-	96.45%

Through our planned investment work, repairs, and other cyclical work we continue to ensure that our stock meets the Scottish Housing Quality Standard and identify and take a proactive approach to any that need investment to bring it up to standard

Community Development Activities

External funding across the Group has enabled the Group to continue to develop its successful community development programme. The Group delivers a wide range of events and activities which cater and support tenants and people from across the G45 area. We were successful in our bid for local locality planning funding and have delivered a successful participatory budgeting exercise which has distributed money to local groups. The highly successful programme could not be achieved without the support from our external funders, the collaborative work with partners and our committed volunteers and sessional workers.

We progressed with our woodland programme, external funding meant that historic fly tipping could be removed and an old pathway re-instated.

Tenant Feedback

Overall tenant satisfaction as captured in our most recent Tenant survey has increased from 84% to 89%.

Business Continuity Plan

This is reviewed annually to ensure that it is up to date and takes note of any new/emerging threats.

Performance Review

The Board reviews performance on an ongoing basis at both full Board meetings and through its sub-committees. A traffic light monitoring system is used to quickly identify any sign that a set objective may not be achieved.

Policies and Procedures

The Board approves policy and procedures on a rolling basis unless changes in guidance or legislation enforce earlier reviews.

Credit Payment Policy

The Group's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines with an average payment of 34 days.

Rental Income

The Association's Rent Policy is based on the following: a points system based on the size and facilities of the provided accommodation; an historic stock transfer rental charge for properties acquired from GHA in 2009 and for new developments the rent is set based on property size and in line with the Scottish Government's benchmark amounts.

Budgetary Process

Each year the Board approves the budget and revised 5 year and 30-year financial plan. Business performance is monitored, and relevant action taken throughout the year. Variations from the budget are explained and forecasts updated together with information on key risk areas. Approval procedures are in place in respect of major areas of risk such as significant contract tenders, expenditure, and treasury management.

Treasury Management

The Association has an active treasury management function, which operates in accordance with the Treasury Management Policy. In this way the Association manages its borrowing arrangements to ensure that it is always able to meet its financial obligations as they fall due. The Association, as a matter of policy, does not enter into transactions of a speculative nature.

Quality and Integrity of Personnel

The integrity and competence of personnel are ensured through high recruitment standards and subsequent training courses. High quality personnel are seen as an essential part of the control environment and the ethical standards expected are communicated through the Chief Executive.

Board of Management

The Board of Management of Cassiltoun Housing Association Limited during the year ended 31 March 2026 and up to the date of signing the financial statements was as follows:

Anna M Stuart MBE, Chairperson
Julie McNeil – Vice Chairperson
Gayle Fitzpatrick - Treasurer
Teresa McGowan
Allana Hammell
Faye Mitchell
Ryan Barclay
Mark Tedford
Natalie Tobin
Bridget Crossan
Pamela Gibson (co-opted 25 September 2024 & Elected at AGM on 11 August 2025)
Richard Sullivan (co-opted 29 January 2025 & Elected at AGM on 11 August 2025)
Karen Devin (co-opted 25 February 2026)
Chris O'Brien (resigned 28 May 2025)
Jennifer Gilbert (resigned 11 August 2025)

Sub Committee Membership:

Staffing Sub Committee:-
Anna Stuart MBE
Julie McNeil
Faye Mitchell
Allana Hammell
Natalie Tobin

Group Audit & Risk Sub Committee:
Anna Stuart MBE
Gayle Fitzpatrick
Ryan Barclay
Julie McNeil
Richard Sullivan
Lewis MacSween

Both subsidiaries are managed by their individual Board and have at least one member from the Association. They choose Board members who have specific expertise in a similar field and meet at least 4 times a year.

Each member of the Board of Management holds one fully paid share of £1 in Cassiltoun Housing Association Limited. The executive officers of Cassiltoun Housing Association Limited hold no interest in its share capital and although not having the legal status of a "director" they act as executives within the authority delegated by the Board.

During the year Board members continued their internal and external training sessions as identified during formal appraisal and needs assessment. The outcome was to identify individual strengths and weaknesses and to create training plans that will improve their effectiveness as Board members. In addition, 1-to-1 interviews between the Chief Executive and Association office bearers are carried out.

Disclosure of Information to the auditor

To the knowledge and belief of each of the persons who are members of the Board of Management at the time the report is approved:

- So far as the Board of Management members are aware, there is no relevant information of which the Group's auditor is unaware; and
- He/she has taken all the steps that he/she ought to have taken as a Board of Management member in order to make himself/herself aware of any relevant audit information, and to establish that the Group's auditor is aware of the information.

Auditor

Azets Audit Services will be proposed for reappointment at the Annual General Meeting as auditor for the Cassiltoun group.

By order of the Board of Management

Paula Brownlie
Secretary

Date: 24 June 2026

STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The Co-operative and Community Benefit Societies Act 2014 requires the Board of Management to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and Group and of the income and expenditure of the Association and Group for that period. In preparing those Financial Statements, the Board of Management is required to: -

- select suitable accounting policies and then apply them consistently.

- make judgments and estimates that are reasonable and prudent; and

- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association and Group will continue in business.

The Board of Management is responsible for proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and of the Group. The Board of Management must 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 2025 issued by the Scottish Housing Regulator. It is also responsible for safeguarding the assets of the Association and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

It is the Board of Management'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 and the Group's systems include ensuring that: -

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

The Board of Management have reviewed the system of internal financial control in existence in the Association and the Group for the year ended 31 March 2026 and until the date these financial statements have been signed. No weaknesses were found in internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the Auditor's Report on the financial statements.

By order of the Board of Management

Paula Brownlie
Secretary

Date: 24 June 2026

Opinion

We have audited the financial statements of Cassiltoun Housing Association Limited (the "Association") and its subsidiaries (the "Group") for the year ended 31 March 2026 which comprise the Group and Association Statements of Comprehensive Income, the Group and Association Statements of Changes in Capital and Reserves, the Group and Association Statements of Financial Position, the Group and the Association Statements of Cash Flows and the 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 state of the Group's and the Association's affairs as at 31 March 2026 and of the Group's and the Association's 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 Co-operative and Community Benefits Societies (Group Accounts) Regulations 1969, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements issued by the Scottish Housing Regulator.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to the events or conditions that, individually or collectively, may cast significant doubt on the Group's or 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 Board of Management 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 of Management is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

Responsibilities of the Board of Management

As explained more fully in the Statement of the Board of Management's Responsibilities set out on page 9, the Board of Management is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management 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 of Management is responsible for assessing the Group's and 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 Board of Management either intend to liquidate the Group or 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.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Group and the Association, their activities, their control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Group and the Association are complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Group and the Association that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including 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 identified the laws and regulations applicable to the Group and the Association through discussions with the Board of Management members and the senior management team, and from our 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 Group and the Association, including the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefits Societies (Group Accounts) Regulations 1969, Part 6 of the Housing (Scotland) Act 2010, the Determination of Accounting Requirements issued by the Scottish Housing Regulator and taxation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the senior management team and the Board of Management and inspecting legal correspondence; 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.

Auditor's responsibilities for the audit of the financial statements (continued)

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;
- reading the minutes of meetings of the Board of Management and relevant sub-committees;
- enquiring of the senior management team and the Board of Management as to actual and potential litigation and claims;
- reviewing legal and professional fees paid in the year for indication of any actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the Scottish Housing Regulator, OSCR and the Group's and the Association's legal advisors.

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

- making enquiries of the senior management team and the Board 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 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services
Statutory Auditor
Chartered Accountants
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 25 June 2026

Azets Audit Services is eligible for appointment as auditor of the Group and the Association by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

REPORT BY THE AUDITOR TO THE MEMBERS OF CASSILTOUN HOUSING ASSOCIATION LIMITED ON INTERNAL FINANCIAL CONTROL

FOR THE YEAR ENDED 31 MARCH 2026

In addition to our audit of the Financial Statements, we have reviewed your statement on page 10 concerning the Group's and the Association's compliance with the information required by the Regulatory Standards in respect of internal financial control contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements on corporate governance matters within Bulletin 2009/4 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Group's and the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for any non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on page 10 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial control and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

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

Azets Audit Services
Statutory Auditor
Chartered Accountants
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 25 June 2026

Azets Audit Services is eligible for appointment as auditor of the Group and the Association by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CASSILTOUN HOUSING ASSOCIATION LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	*2025* *£*
Turnover	**4**	**7,707,690**	*7,335,814*
Operating expenditure	**4**	**(6,478,773)**	*(6,506,588)*
Operating surplus	**4, 8**	**1,228,917**	*829,226*
Interest receivable	**9a**	**144,671**	*171,932*
Interest and financing costs	**9b**	**(482,005)**	*(588,860)*
Gain on disposal of property, plant and equipment		**-**	*-*
Surplus before tax		**891,583**	*412,298*
Taxation	**10**	**-**	*-*
Surplus for the year		**891,583**	*412,298*
Other comprehensive income			
Actuarial gain on the SHAPS Pension Fund	**21**	**73,000**	*35,000*
Actuarial (loss) on the Strathclyde Pension Fund liability	**22**	**(39,000)**	*(128,000)*
Total comprehensive income for the year		**925,583**	*319,298*

The results for the year relate wholly to continuing activities.

The financial statements were authorised for issue by the Board of Management on 24 June 2026 and signed on its behalf by:

Anne M Stuart MBE	Julie McNeil	Paula Brownlie
Chairperson	Vice chairperson	Secretary

The notes form part of these financial statements.

CASSILTOUN HOUSING ASSOCIATION LIMITED

ASSOCIATION STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2025 £
Turnover	4	**7,041,433**	*6,641,153*
Operating expenditure	4	**(5,992,555)**	*(5,898,056)*
Operating surplus	4, 8	**1,048,878**	*743,097*
Interest receivable	9a	**144,671**	*171,932*
Interest and financing costs	9b	**(482,005)**	*(588,860)*
Gain on disposal of property, plant, and equipment		**-**	-
Surplus before tax		**711,544**	*326,169*
Taxation	10	**-**	-
Surplus for the year		**711,544**	*326,169*
Other comprehensive income			
Actuarial gain on the SHAPS Pension Fund	21	**73,000**	*35,000*
Actuarial (loss) on the Strathclyde Pension Fund liability	22	**(39,000)**	*(128,000)*
Total comprehensive income for the year		**745,544**	*233,169*

The results for the year relate wholly to continuing activities.

The financial statements were authorised for issue by the Board of Management on 24 June 2026 and signed on its behalf by:

Anne M Stuart MBE Chairperson	Julie McNeil Vice chairperson	Paula Brownlie Secretary

The notes form part of these financial statements.

GROUP STATEMENT OF CHANGES IN CAPITAL AND RESERVES

FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £	**Restricted reserve £**	**Revenue reserve £**	**Total reserves £**
Balance at 1 April 2025	**165**	**1,739**	**11,061,846**	**11,063,750**
Total comprehensive income for the year	**-**	**4,309**	**921,274**	**925,583**
Shares issued during the year	**8**	**-**	**-**	**8**
Shares cancelled during the year	**(4)**	**-**	**-**	**(4)**
Balance at 31 March 2026	**169**	**6,048**	**11,983,120**	**11,989,337**

	Share capital £	*Restricted reserve £*	*Revenue reserve £*	*Total reserves £*
Balance at 1 April 2024	*171*	*20,673*	*10,723,614*	*10,744,458*
Total comprehensive income for the year	*-*	*(18,934)*	*338,232*	*319,298*
Shares issued during the year	*12*	*-*	*-*	*12*
Shares cancelled during the year	*(18)*	*-*	*-*	*(18)*
Balance at 31 March 2025	*165*	*1,739*	*11,061,846*	*11,063,750*

The notes form part of these financial statements

ASSOCIATION STATEMENT OF CHANGES IN CAPITAL AND RESERVES

FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £	**Revenue reserve £**	**Total reserves £**
Balance at 1 April 2025	**165**	**10,146,375**	**10,146,540**
Total comprehensive income for the year	**-**	**745,544**	**745,544**
Shares issued during the year	**8**	**-**	**8**
Shares cancelled during the year	**(4)**	**-**	**(4)**
Balance at 31 March 2026	**169**	**10,891,919**	**10,892,088**

	Share capital £	*Revenue reserve £*	*Total reserves £*
Balance at 1 April 2024	*171*	*9,913,206*	*9,913,377*
Total comprehensive income for the year	*-*	*233,169*	*233,169*
Shares issued during the year	*12*	*-*	*12*
Shares cancelled during the year	*(18)*	*-*	*(18)*
Balance at 31 March 2025	*165*	*10,146,375*	*10,146,540*

The notes form part of these financial statements

CASSILTOUN HOUSING ASSOCIATION LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes		2026		*2025*
		£	£	*£*	*£*
Tangible fixed assets					
Housing properties	11a	40,419,409		*40,399,627*	
Other fixed assets	11b	841,122		*502,923*	
			41,260,531		*40,902,550*
Current assets					
Debtors: Amounts falling due within one year	14	491,308		*184,560*	
Current asset investments	15a	4,065,515		*3,183,769*	
Cash and cash equivalents	15b	1,740,685		*2,915,565*	
		6,297,508		*6,283,894*	
Creditors: Amounts falling due within one year	16	(2,790,934)		*(2,366,283)*	
Net current assets			3,506,574		*3,917,611*
Total assets less current liabilities			44,767,105		*44,820,161*
Creditors: Amounts falling due after more than one year	17		(32,599,768)		*(33,544,411)*
Pension – SHAPS defined benefit (liability)/asset	21		(311,000)		*(384,000)*
Pension – Strathclyde Pension Fund defined benefit asset	22		133,000		*172,000*
Net assets			11,989,337		*11,063,750*
Capital and reserves					
Share capital	19		169		*165*
Revenue reserve	19		11,983,120		*11,061,846*
Restricted reserve	19		6,048		*1,739*
			11,989,337		*11,063,750*

The financial statements were authorised for issue by the Board of Management on 24 June 2026 and signed on its behalf by:

Anne M Stuart MBE	Julie McNeil	Paula Brownlie
Chairperson	Vice chairperson	Secretary

The notes form part of these financial statements.

ASSOCIATION STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	£	2026 £	£	*2025 £*
Tangible fixed assets					
Housing properties	**11a**	**40,419,409**		*40,399,627*	
Other fixed assets	**11b**	**54,286**		*64,050*	
Investments	**13**	**67,296**		*67,296*	
			40,540,991		*40,530,973*
Current assets					
Debtors: Amounts falling due within one year	**14**	**478,592**		*233,506*	
Current asset investments	**15a**	**4,065,515**		*3,183,769*	
Cash and cash equivalents	**15b**	**1,270,883**		*2,207,835*	
		5,814,990		*5,625,110*	
Creditors: Amounts falling due within one year	**16**	**(2,686,125)**		*(2,253,132)*	
Net current assets			**3,128,865**		*3,371,978*
Total assets less current liabilities			**43,669,856**		*43,902,951*
Creditors: Amounts falling due after more than one year	**17**		**(32,599,768)**		*(33,544,411)*
Pension – SHAPS defined benefit (liability)/asset	**21**		**(311,000)**		*(384,000)*
Pension – Strathclyde Pension Fund defined benefit asset	**22**		**133,000**		*172,000*
Net assets			**10,892,088**		*10,146,540*
Capital and reserves					
Share capital	**19**		**169**		*165*
Revenue reserve	**19**		**10,891,919**		*10,146,375*
			10,892,088		*10,146,540*

The financial statements were authorised for issue by the Board of Management on 24 June 2026 and signed on its behalf by:

....

Anne M Stuart MBE	Julie McNeil	Paula Brownlie
Chairperson	Vice chairperson	Secretary

The notes form part of these financial statements.

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	*2025* *£*
Net cash generated from operating activities	**20**	**2,118,143**	*2,009,783*
Cash flow from investing activities			
Purchase of housing properties		**(1,412,879)**	*(126,924)*
Purchase of other fixed assets		**(406,975)**	*(78,216)*
Proceeds from sale of tangible fixed assets		**-**	*-*
Government capital grants received		**230,576**	*-*
Interest received		**144,671**	*171,932*
		(1,444,607)	*(33,208)*
Cash flow from financing activities			
Transfer from/(to) investment deposit accounts		**(881,746)**	*(171,004)*
Interest paid		**(482,005)**	*(568,860)*
Repayment of borrowings		**(484,673)**	*(509,478)*
Loans drawn down		**-**	*-*
Issue of share capital		**8**	*12*
SHAPS past service deficit payment		**-**	*-*
		(1,848,416)	*(1,249,330)*
Net change in cash and cash equivalents in the year		**(1,174,880)**	*727,245*
Cash and cash equivalents at 1 April	**15b**	**2,915,565**	*2,188,320*
Cash and cash equivalents at 31 March	**15b**	**1,740,685**	*2,915,565*

(i) Analysis of changes in net debt

	As at April 2025 £	Cash flows £	Non-cash movements £	At 31 March 2026 £
Cash and cash equivalents				
Cash and cash equivalents	*2,915,565*	**(1,174,880)**	**-**	**1,740,685**
Current asset investments	*3,183,769*	**881,746**	**-**	**4,065,515**
	6,099,334	**(293,134)**	**-**	**5,806,200**
Borrowings				
Debt due within one year	*(466,988)*	**484,673**	**(511,587)**	**(493,902)**
Debt due after one year	*(8,509,345)*	**-**	**511,587**	**(7,997,758)**
	(8,976,333)	**484,673**	**-**	**(8,491,660)**
Total	*(2,876,999)*	**191,539**	**-**	**(2,685,460)**

The notes form part of these financial statements.

ASSOCIATION STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	*2025 £*
Net cash generated from operating activities	**20**	**1,969,277**	*1,835,926*
Cash flow from investing activities			
Purchase of housing properties		**(1,412,879)**	*(126,924)*
Purchase of other fixed assets		**(20,181)**	*(28,389)*
Proceeds from sale of tangible fixed assets		**-**	*-*
Government capital grants received		**230,576**	*-*
Interest received		**144,671**	*171,932*
		(1,057,813)	*16,619*
Cash flow from financing activities			
Transfer from/(to) investment deposit accounts		**(881,746)**	*(171,004)*
Interest paid		**(482,005)**	*(568,860)*
Repayment of borrowings		**(484,673)**	*(509,478)*
Loans drawn down		**-**	*-*
Issue of share capital		**8**	*12*
SHAPS past service deficit repayment		**-**	*-*
		(1,848,416)	*(1,249,330)*
Net change in cash and cash equivalents in the year		**(936,952)**	*603,215*
Cash and cash equivalents at 1 April	**15b**	**2,207,835**	*1,604,620*
Cash and cash equivalents at 31 March	**15b**	**1,270,883**	*2,207,835*

(i) Analysis of changes in net debt

	At 1 April 2025 £	Cash flows £	Non-cash movement £	At 31 March 2026 £
Cash and cash equivalents				
Cash and cash equivalents	*2,207,835*	**(936,952)**	**-**	**1,270,883**
Current asset investments	*3,183,769*	**881,746**	**-**	**4,065,515**
	5,391,604	**(55,206)**	**-**	**5,336,398**
Borrowings				
Debt due within one year	*(466,988)*	**484,673**	**(511,587)**	**(493,902)**
Debt due after one year	*(8,509,345)*	**-**	**511,587**	**(7,997,758)**
	(8,976,333)	**484,673**	**-**	**(8,491,660)**
Total	*(3,584,729)*	**429,467**	**-**	**(3,155,262)**

The notes form part of these financial statements.

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the Group's transactions are denominated. They comprise the financial statements of the Group, consisting of Cassiltoun Housing Association Limited and its two fully owned subsidiaries, Cassiltoun Trust and Cassiltoun Stables Nursery Limited drawn up for the year ended 31 March 2026.

The Association is defined as a public benefit entity and thus the Association complies with all disclosure requirements relating to public benefit entities. The Association is a registered social landlord in Scotland, and its registered number is HCB 084.

The Association's Scottish Charity number is SC035544. The registered address is included on the first page of the financial statements.

2. Accounting policies

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and comply with the requirements of the Determination of Accounting Requirements as issued by the Scottish Housing Regulator and the Statement of Recommended Practice for Social Housing Providers issued in 2018. The principal accounting policies are set out below.

The preparation of these financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

A summary of the principal accounting policies is set out below.

(a) Basis of preparation
The financial statements are prepared on the historical cost basis of accounting subject to the revaluation of certain fixed assets and in accordance with applicable accounting standards.

The effect of events relating to the year ended 31 March 2026, which occurred before the date of approval of the financial statements by the Board of Management have been included in the statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2026 and of the results for the year ended on that date.

(b) Going Concern
The Board of Management has a reasonable expectation that the Association and its subsidiaries have adequate resources, based on a review of long-term forecasts to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting in preparing the Financial Statements.

2. Accounting policies (continued)

(c) Turnover
Cassiltoun Housing Association Limited
Turnover represents rental and service charge income receivable, fees receivable and revenue grants receivable from the Scottish Government, Glasgow City Council, and other agencies. Also included is any income from first tranche shared ownership disposals and management fees for the factoring of properties for private owners.

Cassiltoun Stables Nursery Limited
Incoming resources are recognised when the charitable company has legal entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

Cassiltoun Trust
All voluntary income including grants and bank interest is accounted for when the charitable company has legal entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

Rental income relates to let properties and is applied to the period in which it relates.

(d) Apportionment of management expenses
Direct employee, administration and operating expenditure have been apportioned to the relevant sections of the Statement of Comprehensive Income on the basis of costs of staff directly attributable to the operations dealt with in the financial statements.

The costs of cyclical and major repairs are charged to the Statement of Comprehensive Income in the year in which they are incurred.

(e) Interest receivable
Interest receivable is recognised in the Statement of Comprehensive Income using the effective interest method.

(f) Interest payable
Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

(g) Housing properties

Properties included in housing properties are stated at cost. The cost of such properties includes the following:

(i) cost of acquiring land and buildings.
(ii) development expenditure including applicable overheads; and
(iii) interest charged during the construction phase on the loans raised to finance the scheme.

These costs are either termed "qualifying costs" for approved Government Grant schemes or are considered for mortgage loans by the relevant lending authorities or are met out of the Association's reserves.

All invoices and architects' certificates relating to capital expenditure incurred in the year at gross value are included in the financial statements for the year, provided that the dates of issue or valuations are prior to the year end. Development costs are capitalised to the extent that they are attributable to specific schemes and where such costs are not excessive. Expenditure on schemes, which are subsequently aborted, is written off in the year in which it is recognised that the scheme will not be developed to completion.

2. Principal accounting policies (continued)

(h) Sales of housing properties
Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

First tranche Shared Ownership disposals are credited to turnover on completion, the cost of construction of these sales is taken to operating expenditure. Disposals of subsequent tranches are treated as fixed asset disposals with the gain or loss on disposal taken to the Statement of Comprehensive Income, in accordance with the Statement of Recommended Practice.

(i) Depreciation of housing properties
Housing Properties are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of each major component that makes up the housing property as follows:

Land	Not depreciated
Structure	Over 60 years
Roofs	Over 45 years
Electrical Wiring	Over 30 years
Windows	Over 25 years
Bathrooms	Over 20 years
Kitchens	Over 15 years
Heating (boilers and radiators)	Over 15 years

(j) Depreciation of other fixed assets
Other Fixed Assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Stables Building	2%	Central heating system	5%
Furniture	20%	Vehicles	25%
Fixtures & Fittings	20%	IT Equipment	20%

(k) Capitalisation of major repairs expenditure
The Association capitalises major repairs expenditure where these works are a replacement or restoration of a separate identifiable component or where the works result in an enhancement of economic benefits of the tangible fixed assets. Such enhancement can occur if the improvements result in an increase in rental income, a reduction in future maintenance costs or a significant extension to the life of the component.

Works which fail to meet the above criteria are charged to the Statement of Comprehensive Income.

(l) Capitalisation of development overheads
Directly attributable development costs relating to development activities are capitalised in accordance with the Statement of Recommended Practice.

(m) Impairment of fixed assets
Reviews for impairment of fixed assets are carried out on an annual basis and any impairment in an income-generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of an income-generating unit exceeds the higher of its net realisable value or its value in use or in the case of housing properties, its depreciated replacement cost. Value in use represents the net present value of expected future cash flows from these units.

(n) Debtors
Short term debtors are measured at transaction price, less any impairment.

2. Principal accounting policies (continued)

(o) Rental arrears
Rental arrears represent amounts due by tenants for rental of social housing properties at the year end. Management regularly review rental arrears and write them down to the amount deemed recoverable. Any provision deemed necessary is shown alongside gross rental arrears in Note 14.

(p) Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Investments
Bank deposits with a maturity of more than three months are recognised as investments.

(q) Creditors
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

(r) Financial instruments
The Association only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and group undertakings.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a rental arrear deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

(s) Government capital grants
Government Capital Grants, at amounts approved by The Scottish Government or Glasgow City Council, are paid directly to the Association as required to meet its liabilities during the development process. This is treated as a deferred capital grant and is released to income in accordance with the accrual model over the useful life of the asset it relates to on completion of the development phase. The accrual model requires the Association to recognise income on a systematic basis over the period in which the Association recognises the related costs for which the grant is intended to compensate.

(t) Government revenue grants
Government revenue grants are recognised using the accrual model which means the Association recognises the grant in income on a systematic basis over the period in which the Association recognises the related costs for which the grant is intended to compensate.

(u) Non-government capital and revenue grants
Non-government capital and revenue grants are recognised using the performance model. If there are no performance conditions attached the grants are recognised as revenue when the grants are received or receivable.

A grant that imposes specific future performance related conditions on the recipient is recognised as revenue only when the performance related conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

2. Principal accounting policies (continued)

(v) Loans
Mortgage loans are advanced by financial institutions under the terms of individual mortgage deeds in respect of each property or housing scheme. Advances are available only in respect of those developments which have been given approval for Government Capital Grant by the Scottish Government or Glasgow City Council.

(w) Retirement benefits
The Scottish Housing Association Defined Benefits Pension Scheme
The Association participates in The Scottish Housing Associations' Defined Benefits Pension Scheme (SHAPS) and 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 Associations taken as a whole.

The SHAPS is accounted for as a defined benefit scheme and as such the amount charged to the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost is included within other finance costs/income. Actuarial gains and losses arising from new valuations and from updating valuations to the reporting date are recognised in Other Comprehensive Income.

Defined benefit schemes are funded, with the assets held separately from the Association in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each reporting date.

The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the Statement of Financial Position only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the reporting date. A pension scheme liability is recognised to the extent that the Association has a legal or constructive obligation to settle the liability.

The Strathclyde Pension Fund
The Strathclyde Pension fund is accounted for as a defined benefit scheme and as such the amount charged to the Statement of Comprehensive Income in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost is included within other finance costs/income. Actuarial gains and losses arising from new valuations and from updating valuations to the reporting date are recognised in Other Comprehensive Income.

Defined benefit schemes are funded, with the assets held separately from the Association in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each reporting date.

The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the Statement of Financial Position only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the reporting date. A pension scheme liability is recognised to the extent that the Association has a legal or constructive obligation to settle the liability.

The Scottish Housing Association Defined Contribution Scheme
This is a defined contribution scheme. Employer contributions are charged to the Statement of Comprehensive Income on an accrual's basis.

3. Judgements in applying policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The members of the Board of Management consider the following to be critical judgements in preparing the financial statements:

- The categorisation of housing properties as property, plant, and equipment in line with the requirements of the SORP.
- The amount disclosed as ‘operating surplus’ is representative of activities that would normally be regarded as ‘operating’; and
- The identification of a cash-generating unit for impairment purposes.

The members of the Board of Management are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Estimate	**Basis of estimation**
Impairment of housing properties	Each year the Board review for any indicators of impairment to the housing properties held and in the event that indicators are identified (e.g. long term voids, aborted development costs, units earmarked for demolition) an appropriate impairment charge is recognised.
The obligations under the SHAPs pension scheme	This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.
The obligations under the Strathclyde Pension Fund	This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

4. Particulars of turnover, operating expenditure and operating surplus

Group	**Notes**	**2026 Turnover £**	**2026 Operating Expenditure £**	**2026 Operating Surplus £**	*2025 Turnover £*	*2025 Operating Expenditure £*	*2025 Operating Surplus £*
Social Lettings	5a	**6,677,085**	**(5,645,710)**	**1,031,375**	*6,360,367*	*(5,576,572)*	*783,795*
Other Activities	5b	**364,348**	**(346,845)**	**17,503**	*280,786*	*(321,484)*	*(40,698)*
Cassiltoun Stables Nursery Limited		**675,864**	**(801,690)**	**(125,826)**	*697,386*	*(667,806)*	*29,580*
Cassiltoun Trust		**475,412**	**(169,547)**	**305,865**	*239,075*	*(182,526)*	*56,549*
Less: intergroup rent and service charges		**(454,135)**	**454,135**	**-**	*(217,231)*	*217,231*	*-*
Less: intergroup management charges		**(30,884)**	**30,884**	**-**	*(24,569)*	*24,569*	*-*
		7,707,690	**(6,478,773)**	**1,228,917**	*7,335,814*	*(6,506,588)*	*829,226*

Association	**Notes**	**2026 Turnover £**	**2026 Operating Expenditure £**	**2026 Operating Surplus £**	*2025 Turnover £*	*2025 Operating Expenditure £*	*2025 Operating Surplus £*
Social Lettings	5a	**6,677,085**	**(5,645,710)**	**1,031,375**	*6,360,367*	*(5,576,572)*	*783,795*
Other activities	5b	**364,348**	**(346,845)**	**17,503**	*280,786*	*(321,484)*	*(40,698)*
		7,041,433	**(5,992,555)**	**1,048,878**	*6,641,153*	*(5,898,056)*	*743,097*

5a. Particulars of turnover, operating expenditure and operating surplus from social lettings

Association

	General Needs Housing £	Shared Ownership £	2026 £	*2025 £*
Social Lettings				
Rent receivable net of identifiable service charges	**6,004,647**	**6,740**	**6,011,387**	*5,703,133*
Service charges receivable	**16,317**	**1,274**	**17,591**	*17,689*
Gross Income from Rents and Charges	**6,020,964**	**8,014**	**6,028,978**	*5,720,822*
Less: Rent losses from voids	**(41,373)**	**-**	**(41,373)**	*(44,230)*
Revenue grants	**29,468**	**-**	**29,468**	*27,382*
Release of deferred Government capital grants	**660,012**	**-**	**660,012**	*656,393*
Total Turnover from Social Letting Activities	**6,669,071**	**8,014**	**6,677,085**	*6,360,367*
Operating Expenditure				
Management & maintenance administration costs	**2,423,034**	**6,740**	**2,429,774**	*2,185,390*
Service costs	**77,268**	**-**	**77,268**	*96,594*
Planned and cyclical maintenance including major repairs	**738,417**	**-**	**738,417**	*833,997*
Reactive maintenance	**1,038,170**	**-**	**1,038,170**	*947,891*
Bad debts – rent and service charges	**(31,016)**	**-**	**(31,016)**	*81,308*
Depreciation of social housing	**1,391,823**	**1,274**	**1,393,097**	*1,431,392*
Operating Expenditure for Social Letting Activities	**5,637,696**	**8,014**	**5,645,710**	*5,576,572*
Operating Surplus for Social Lettings 2026	**1,031,375**	**-**	**1,031,375**	
Operating Surplus for Social Lettings 2025	*783,795*	*-*	*-*	*783,795*

There is no other accommodation except for general needs and shared ownership housing.

The amount of service charges receivable on housing accommodation not eligible for Housing Benefit was £nil (*2025 - £nil*).

Included in depreciation of social housing is £nil (*2025 - £920*) relating to the loss on disposal of components.

5b – Particulars of turnover, operating expenditure and operating surplus or deficit from other activities

Association	**Grants from Scottish Ministers £**	**Other revenue grants £**	**Supporting people income £**	**Other Income £**	**Total Turnover £**	**Operating expenditure – bad debts £**	**Other operating expenditure £**	**Operating surplus / (deficit) 2026 £**	*Operating surplus / (deficit) 2025 £*
Wider role activities	-	256,871	-	-	256,871	-	(242,551)	14,320	*(21,705)*
Factoring	-	-	-	78,130	78,130	-	(78,557)	(427)	*(20,032)*
Development and construction of property activities	-	-	-	-	-	-	-	-	-
Management services to subsidiaries	-	-	-	25,737	25,737	-	(25,737)	-	-
Other income – donations	-	-	-	-	-	-	-	-	-
Other income – sundry	-	-	-	2,351	2,351	-	-	2,351	*253*
Repair recharges to tenants	-	-	-	1,259	1,259	-	-	1,259	*786*
Total from other activities 2026	**-**	**256,871**	**-**	**107,477**	**364,348**	**-**	**(346,845)**	**17,503**	
Total from other activities 2025	-	*187,762*	-	*93,024*	*280,786*	-	*321,484*	-	*(40,698)*

6. Directors' emoluments – Group and Association

The Directors are defined as the members of the Board of Management, the Chief Executive and any other person reporting directly to the Chief Executive or the Board of Management. No emoluments were paid to any member of the Board of Management during the year.

The Association considers key management personnel to be the Board of Management and the Executive Management Team, consisting of the Chief Executive, the Director of Operations , the Head of Corporate, HR & Finance and the Head of Asset Management.

	2026	*2025*
	£	*£*
Emoluments of Chief Executive (excluding pension contributions)	**100,890**	*97,180*

The Chief Executive is an ordinary member of the Association's SHAPs pension scheme described in Note 21. No enhanced or special terms apply to membership, and she has no other pension arrangements to which the Association contributes. The Association's contributions for the Chief Executive in the year amounted to £20,333 (*2025 - £19,550*).

	2026	*2025*
	£	*£*
Emoluments of key management personnel (excluding pension contributions)	**333,193**	*322,089*
Aggregate pensions payable to key management personnel (excluding past service deficit contributions)	**61,986**	*53,160*
Employers NI paid in respect of key management personnel	**40,155**	*39,394*

	2026	*2025*
	£	*£*
Total expenses reimbursed insofar as not chargeable to UK income tax	**-**	*-*

Total Emoluments (excluding pension contributions)	**2026 Number**	*2025 Number*
£60,001 - £70,000	**-**	*1*
£70,001 - £80,000	**2**	*2*
£80,001 - £90,000	**1**	*-*
£90,001 - £100,000	**-**	*1*
£100,001 - £110,000	**1**	*-*

No (*2025 - no*) other staff had emoluments (excluding pension contributions) that exceeded £60,000.

7. Employee information

Group

	2026 Number	*2025 Number*
The average number of full-time equivalent employees during the year was:		
Administration and maintenance (Association)	**31.0**	*29.1*
Nursery staff	**14.7**	*15.8*
	45.7	*44.9*

7. Employee information (continued)

Group	**2026** **£**	*2025* *£*
Staff costs were:		
Wages and Salaries	**1,746,244**	*1,598,558*
Social Security Costs	**217,791**	*146,267*
Pension Costs	**197,747**	*180,349*
Defined benefit pension - staff service cost – Strathclyde Scheme	**-**	*-*
Defined benefit pension - staff service cost – SHAPS	**-**	*(26,000)*
Agency staff costs	**2,426**	*7,605*
	2,164,208	*1,906,779*

Association	**2026** **Number**	*2025* *Number*
The average number of full-time equivalent employees during the year was:		
Administration and maintenance	**31.0**	*29.1*

Staff costs were:	**2026** **£**	*2025* *£*
Wages and Salaries	**1,316,017**	*1,179,092*
Social Security Costs	**175,512**	*122,969*
Pension Contributions	**183,785**	*167,776*
Defined benefit pension - staff service cost – Strathclyde Scheme	**-**	*-*
Defined benefit pension - staff service cost – SHAPS	**-**	*(26,000)*
Agency staff costs	**1,044**	*1,945*
	1,676,358	*1,445,782*

8. Operating surplus

Group	**2026** **£**	*2025* *£*
Operating surplus is stated after charging: -		
Depreciation - Tangible Owned Fixed Assets	**1,440,442**	*1,494,166*
Depreciation – Loss on disposal of components	**21,432**	*920*
Auditor's Remuneration - Audit Services (exc VAT)	**34,460**	*31,140*
- Other Services (exc VAT)	**1,680**	*5,514*

Association	**2026** **£**	*2025* *£*
Operating surplus is stated after charging: -		
Depreciation – Tangible Owned Fixed Assets	**1,421,588**	*1,478,602*
Depreciation – Loss on disposal of components	**-**	*920*
Auditor's Remuneration - Audit Services (exc VAT)	**21,200**	*17,760*
- Other Services (exc VAT)	**-**	*1,254*

9a. Interest receivable

Group and Association	**2026**	*2025*
	£	*£*
Bank interest including on deposits	**144,671**	*171,932*

9b. Interest payable

Group and Association	**2026**	*2025*
	£	*£*
On bank loans and overdrafts	**482,005**	*568,860*
SHAPS defined benefit pension scheme – interest income (Note 21)	**-**	*20,000*
Strathclyde Pension Fund defined benefit pension scheme – interest expense (Note 22)	**-**	-
	482,005	*588,860*

10. Taxation

The Association was granted charitable status with effect from 18 May 2004 and no tax now arises on its charitable activities. No corporation tax is due on the Association's other activities (2025 - *£nil*). Both subsidiaries are charities and thus no tax is due in respect of their activities (2025 - *£nil*).

11. Tangible fixed assets

(a) Housing Properties Group and Association

	Housing Properties Held for Letting £	Housing Properties Under Construction £	Completed Shared Ownership Properties £	Total £
Cost				
At 1 April 2025	**62,714,345**	**384,040**	**95,068**	**63,193,453**
Additions during year				
Property	**176,760**	**-**	**-**	**176,760**
Components	**1,236,119**	**-**	**-**	**1,236,119**
Disposals during year				
Property	**-**	**-**	**-**	**-**
Components	**(240,149)**	**-**	**-**	**(240,149)**
Transfers	**-**	**-**	**-**	**-**
At 31 March 2026	**63,887,075**	**384,040**	**95,068**	**64,366,183**
Depreciation				
At 1 April 2025	**22,756,003**	**-**	**37,823**	**22,793,826**
Charge for year	**1,391,823**	-	**1,274**	**1,393,097**
On disposals during year				
Property	**-**	-	**-**	**-**
Components	**(240,149)**	-	**-**	**(240,149)**
Transfers	**-**	**-**	**-**	**-**
At 31 March 2026	**23,907,677**	**-**	**39,097**	**23,946,774**
Net Book Value				
As at 31 March 2026	**39,979,398**	**384,040**	**55,971**	**40,419,409**
As at 31 March 2025	*39,958,342*	*384,040*	*57,245*	*40,399,627*

Additions to housing properties during the year includes no capitalised interest (*2025 - £nil)* and no capitalised administration costs (*2025 - £nil*). All housing properties are freehold.

The Association would not be able to sell its properties without the repayment of Government Capital Grants.

11. Tangible fixed assets

(b) Other Fixed Assets

Group	Freehold Property	I.T. Equipment	Furniture	Fixtures & Fittings	Vehicles	Assets Under Construction	Central Heating System	Total
	£	£	£	£	£	£		£
Cost								
At 1 April 2025	**470,000**	**218,224**	**72,858**	**152,729**	**72,565**	**48,000**	**-**	**1,034,376**
Additions	**-**	**8,469**	**11,711**	**-**	**-**	**-**	**386,795**	**406,975**
Transfers	**-**	**-**	**-**	**-**	**-**	**(48,000)**	**48,000**	**-**
Disposals	**(28,200)**	**-**	**-**	**-**	**(17,940)**	**-**	**-**	**(46,140)**
At 31 March 2026	**441,800**	**226,693**	**84,569**	**152,729**	**54,625**	**-**	**434,795**	**1,395,211**
Depreciation								
At 1 April 2025	**103,400**	**190,874**	**44,319**	**145,279**	**47,581**	**-**	**-**	**531,453**
Charge for year	**9,399**	**13,003**	**6,892**	**3,582**	**12,656**	**-**	**1,812**	**47,344**
Removed on disposal	**(6,768)**	**-**	**-**	**-**	**(17,940)**	**-**	**-**	**(24,708)**
At 31 March 2026	**106,031**	**203,877**	**51,211**	**148,861**	**42,297**	**-**	**1,812**	**554,089**
Net Book Values								
At 31 March 2026	**335,769**	**22,816**	**33,358**	**3,868**	**12,328**	**-**	**432,983**	**841,122**
At 31 March 2025	*366,600*	*27,350*	*28,539*	*7,450*	*24,984*	*48,000*	*-*	*502,923*

11. Tangible fixed assets (continued)

(b) Other Fixed Assets

Association	**I.T. Equipment**	**Furniture**	**Fixtures & Fittings**	**Vehicles**	**Total**
	£	**£**	**£**	**£**	**£**
Cost					
At 1 April 2025	**209,950**	**26,447**	**136,660**	**72,565**	**445,622**
Additions	**8,469**	**11,712**	**-**	**-**	**20,181**
Disposals	**-**	**-**	**-**	**(17,940)**	**(17,940)**
At 31 March 2026	**218,419**	**38,159**	**136,660**	**54,625**	**447,863**
Depreciation					
At 1 April 2025	**183,295**	**17,965**	**132,732**	**47,580**	**381,572**
Charge for year	**12,568**	**2,828**	**1,892**	**12,657**	**29,945**
Disposals	**-**	**-**	**-**	**(17,940)**	**(17,940)**
At 31 March 2026	**195,863**	**20,793**	**134,624**	**42,297**	**393,577**
Net Book Value					
At 31 March 2026	**22,556**	**17,366**	**2,036**	**12,328**	**54,286**
At 31 March 2025	*26,655*	*8,482*	*3,928*	*24,985*	*64,050*

12. Housing stock

Group and Association Number of units of accommodation in management at the year end:	**2026** **Number**	*2025* *Number*
General Needs - New Build & Buchanan Lodge	**346**	*346*
- Rehabilitation	**773**	*771*
Shared Ownership	**2**	*2*
	1,121	*1,119*

Buchanan Lodge is a 40-bed space unit leased by the Association to Talbot Association. The rental income is included with general needs income in note 5. The rental income for 2025/26 was £165,780. The property lease is now a rolling 12-month lease with a 6-month notice period. The expected rental income for 2026/27 is £175,068.

13. Investments

Association	**2026** **£**	*2025* *£*
At 1 April	**67,296**	*67,296*
Impairment	**-**	-
At 31 March	**67,296**	*67,296*

This represents the Association's investment in Cassiltoun Trust.

14. Debtors - Amounts receivable within one year

Group	**2026** **£**	*2025* *£*
Arrears of rent and service charges	**155,577**	*211,312*
Less: bad debt provision	**(61,334)**	*(135,836)*
	94,243	*75,476*
Trade Debtors	**(308)**	*4,165*
Prepayments and accrued income	**373,413**	*109,743*
Other debtors	**23,960**	*(4,824)*
	491,308	*184,560*

14. Debtors - Amounts receivable within one year (continued)

Association	**2026**	*2025*
	£	*£*
Arrears of rent and service charges	**155,577**	*211,312*
Less: bad debt provision	**(61,334)**	*(135,836)*
	94,243	*75,476*
Prepayments and accrued income	**369,174**	*118,507*
Amounts owed by group undertakings	**-**	*44,623*
Other debtors	**15,175**	*(5,100)*
	478,592	*233,506*

15a. Current asset investments – Group and Association

	2026	*2025*
	£	*£*
Deposits (› 30 days' notice)	**4,065,515**	*3,183,769*

15b. Cash and cash equivalents

Group	**2026**	*2025*
	£	*£*
Balances with banks and cash on hand	**644,550**	*806,210*
Cash equivalents (deposit ‹ 30 days' notice)	**1,096,135**	*2,109,355*
	1,740,685	*2,915,565*

Association	**2026**	*2025*
	£	*£*
Balances with banks and cash on hand	**174,748**	*98,480*
Cash equivalents (deposits ‹ 30 days' notice)	**1,096,135**	*2,109,355*
	1,270,883	*2,207,835*

16. **Creditors** - Amounts falling due within one year

Group	**2026**	*2025*
	£	*£*
Bank loans (note 17)	**493,902**	*466,988*
Trade creditors	**622,873**	*183,055*
Other taxation and social security	**43,711**	*38,889*
Accruals and deferred income	**312,898**	*327,543*
Rent in advance	**441,266**	*369,364*
Deferred capital grant (note 18)	**660,012**	*656,392*
Retention creditor	**-**	*4,137*
Other creditors	**216,272**	*319,915*
	2,790,934	*2,366,283*

Pension contributions of £2,244 were outstanding at the year-end (*2025 - £21,115*).

Association	**2026**	*2025*
	£	*£*
Bank loans (note 17)	**493,902**	*466,988*
Trade creditors	**618,811**	*223,922*
Other taxation and social security	**37,640**	*33,832*
Accruals and deferred income	**227,006**	*180,325*
Rent in advance	**441,266**	*369,364*
Deferred capital grant (note 18)	**660,012**	*656,392*
Retention creditor	**-**	*4,137*
Other creditors	**207,488**	*318,172*
	2,686,125	*2,253,132*

Pension contributions of £2,244 were outstanding at the year-end (*2025 - £19,362*).

17. **Creditors** - Amounts falling due after more than one year

Group and Association	**2026**	*2025*
	£	*£*
Bank loans	**7,997,758**	*8,509,345*
Deferred capital grants (note 18)	**24,602,010**	*25,035,066*
	32,599,768	*33,544,411*

17. Creditors - Amounts falling due after more than one year (continued)

Housing Loans are secured on specific charges on the Housing Association's housing properties, including reserved rights of set off) and are repayable at rates of interest of Base +1.75%, Sonia + 0.45%, Sonia +0.575%, Base + CAS+1%, fixed at 5.28% and fixed at 5.835%.

The net book value of housing properties secured at the year-end was £16,720,574 *(2025- £16,566,194).* These are over Barclays, Nationwide and CAF banks.

	2026	*2025*
	£	*£*
Within one year	**493,902**	*466,988*
Between one and two years	**480,271**	*532,642*
Between two and five years	**1,422,373**	*1,466,119*
In five years or more	**6,095,114**	*6,510,584*
	8,491,660	*8,976,333*
Less: Amount shown in current liabilities	**(493,902)**	*(466,988)*
	7,997,758	*8,509,345*

18	**Deferred capital grants – Group and Association**	**2026**	*2025*
		£	*£*
	Deferred capital grants at 1 April	**25,691,458**	*26,347,851*
	Grants received in year	**230,576**	-
	Released to income in the year	**(660,012)**	*(656,393)*
	Released to gain on disposal of property, plant, and equipment	**-**	-
	Transferred to creditors	**-**	-
	Deferred capital grants at 31 March	**25,262,022**	*25,691,458*
	Liability split as:		
	< 1 year	**660,012**	*656,392*
	1 – 2 years	**660,012**	*656,392*
	2 – 5 years	**1,980,036**	*1,969,176*
	> 5 years	**21,961,962**	*22,409,498*
		25,262,022	*25,691,458*

19.	**Share Capital**	**2026**	*2025*
		£	*£*
	Shares of £1 each fully paid and issued as at 1 April	**165**	*171*
	Shares issued in year	**8**	*12*
	Shares cancelled in year	**(4)**	*(18)*
	As at 31 March 2026	**169**	*165*

Reserves

Revenue Reserve
The revenue reserve includes all current and prior year retained surpluses or deficits and transfers to/from the restricted reserve.

Restricted Reserve
Funds received from 3rd party funders which are for specific activities and are therefore restricted.

20. Net Cash Flow from Operating Activities – Group

	2026	2025
	£	£
Surplus for the year	891,583	412,298
Adjustments for non-cash items:		
Carrying amount of tangible fixed asset disposals	-	-
Depreciation of tangible fixed assets (including loss on disposal of components)	1,440,441	1,495,086
SHAPS defined benefit pension liability	-	(6,000)
Strathclyde Pension Scheme pension liability	-	-
(Increase) / decrease in debtors	(306,748)	237,165
Increase / (decrease) in creditors	394,117	130,717
Loss on disposal of tangible fixed assets	21,432	-
Shares cancelled in the year	(4)	(18)
Adjustments for investing and financing activities:		
Proceeds from sale of tangible fixed assets	-	-
Interest payable	482,005	568,860
Interest received	(144,671)	(171,932)
Release of deferred Government capital grant	(660,012)	(656,393)
Net cash generated from operating activities	2,118,143	2,009,783

Net Cash Flow from Operating Activities – Association

	2026	2025
	£	£
Surplus for the year	711,544	326,169
Adjustments for non-cash items:		
Carrying amount of tangible fixed asset disposals	-	-
Depreciation of tangible fixed assets (including loss on disposal of components)	1,423,042	1,479,522
SHAPS defined benefit pension liability	-	(6,000)
Strathclyde Pension Scheme pension liability	-	-
Decrease / (increase) in debtors	(245,086)	191,902
Increase / (decrease) in creditors	402,459	103,816
Shares cancelled in the year	(4)	(18)
Adjustments for investing and financing activities:		
Proceeds from sale of tangible fixed assets	-	-
Interest payable	482,005	568,860
Interest received	(144,671)	(171,932)
Release of deferred Government capital grant	(660,012)	(656,393)
Net cash generated from operating activities	1,969,277	1,835,926

21. Scottish Housing Association Pension Scheme

General

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

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2018. This valuation revealed a deficit of £121m. A Recovery Plan has been put in place to eliminate the deficit which will run to either September 2026 or March 2026 (depending on the funding levels) for the majority of employers, although certain employers have different arrangements.

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

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

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

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

In accordance with FRS 102 section 28, the operating and financing costs of pension and post retirement schemes (determined by TPT) are recognised separately in the Statement of Comprehensive Income. Service costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise. The difference between actual and expected returns on assets during the year, including changes in the actuarial assumptions, is recognised in Other Comprehensive Income.

Cassiltoun Housing Association Limited has elected to continue to offer the final salary with a 1/60th accrual rate benefit structure for existing members as at 1 April 2017 and also offer a Defined Contribution scheme to new employees. During the accounting period the Housing Association effectively paid contributions at the rate of 20.5% (excluding the past service deficit) of pensionable salaries in respect of the defined benefit structure. Member contributions were 12.3%. There was an additional annual employer past service deficit contribution of £289 made in the year ended 31 March 2026 *(2025 - £nil).* The employee contribution rate under the Defined Contribution Scheme can be 3%, 4% or 5% with the employer's contribution rate being double the employee's chosen rate. Employees can opt to pay these contributions via salary sacrifice.

As at the Statement of Financial Position date there were 3 active members of the Defined Benefit Scheme and 22 active members of the Defined Contributions Scheme employed by the Association.

21. Scottish Housing Association Pension Scheme (continued)

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	31 March 2026 £'000	*31 March 2025 £'000*
Fair value of plan assets	**3,000**	*2,961*
Present value of defined benefit obligations	**(3,311)**	*(3,345)*
Defined benefit (liability) / asset to be recognised	**(311)**	*(384)*

Reconciliation of opening and closing balances of the defined benefit obligation

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Defined benefit obligation at start of period	**(3,345)**	*(3,609)*
Current service cost	**(10)**	*(20)*
Expenses	**(6)**	*(6)*
Interest cost	**(194)**	*(175)*
Contribution by plan participants	**(30)**	*(28)*
Actuarial losses due to scheme experience	**114**	*(121)*
Actuarial gains/ (losses) due to changes in demographic assumptions	**(36)**	*-*
Actuarial gains due to changes in financial assumptions	**73**	*485*
Benefits paid and expenses	**123**	*129*
Defined benefit obligation at the end of the period	**3,311**	*(3,345)*

21. Scottish Housing Association Pension Scheme (continued)

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

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Fair value of plan assets at start of the period	2,961	3,184
Interest income	173	155
Experience on plan assets (excluding amounts included in interest income)	(97)	(329)
Contributions by the employer	56	52
Contributions by participants	30	28
Benefits paid and expenses	(123)	(129)
Fair value of plan assets at end of period	**3,000**	2,961

Defined benefit costs recognised in Statement of Comprehensive Income

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Current service cost	10	20
Contributions	(30)	(52)
Admin expenses	6	6
Net interest expense	21	20
Defined benefit (credit) recognised in Statement of Comprehensive Income	**7**	(6)

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Experience on plan assets (excluding amounts included in net interest cost – (loss)	(97)	(329)
Experience gains and losses arising on the plan liabilities – gain(loss)	114	(121)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – (loss)	(36)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	73	485
Total amount recognised in other comprehensive income – gain /(loss)	**54**	35

21. Scottish Housing Association Pension Scheme (continued)

Fund allocation for employer's calculated share of assets

	31 March 2026 £'000	*31 March 2025 £'000*
Global Equity	**396**	*343*
Absolute Return	**-**	*-*
Distressed Opportunities	**-**	*-*
Credit Relative Value	**-**	*-*
Alternative Risk Premia	**-**	*-*
Liquid Alternatives	**573**	*545*
Emerging Markets Debt	**-**	*-*
Risk Sharing	**-**	*-*
Insurance-Linked Securities	**6**	*11*
Property	**156**	*147*
Infrastructure	**-**	*1*
Private Equity	**7**	*3*
Real Assets	**297**	*353*
Opportunistic Illiquid Credit	**-**	*-*
High Yield	**-**	*-*
Private Credit	**387**	*369*
Credit	**137**	*126*
Investment Grade Credit	**126**	*135*
Opportunistic Credit	**-**	*-*
Cash	**1**	*16*
Corporate Bond Fund	**-**	*-*
Liquid Credit	**-**	*-*
Long Lease Property	**-**	*1*
Secured Income	**41**	*68*
Liability Driven Investment	**828**	*834*
Currency Hedging	**-**	*5*
Net Current Assets	**45**	*4*
Total Assets	**3,000**	*2,961*

The main financial assumptions used by the Scheme Actuary, TPT, in their FRS 102 calculations are as follows:

Assumptions as at	**31 March 2026 % Per annum**	**31 March 2025 % Per annum**
Discount rate	**6.14%**	*5.87%*
Inflation (RPI)	**3.29%**	*3.08%*
Inflation (CPI)	**3.03%**	*2.80%*
Salary growth	**4.03%**	*3.80%*
Allowance for commutation of pension for cash at retirement	**75% of maximum allowance**	*75% of maximum allowance*

21. Scottish Housing Association Pension Scheme (continued)

Fund allocation for employer's calculated share of assets

	As at 31 March 2026 % per annum	*As at 31 March 2025 % per annum*
Revaluation in deferment RPI 5%	**3.29**	*3.08*
Revaluation in deferment RPI 2.5%	**2.50**	*2.50*
Revaluation in deferment CPI 5%	**3.03**	*2.80*
Revaluation in deferment CPI 2.5%	**2.50**	*2.50*
Care in deferment RPI 5%	**3.09**	*2.97*
Care in deferment CPI 5%	**2.90**	*2.74*
Care in deferment CPI 2.5%	**1.98**	*1.97*
Pension increase in payment RPI	**3.33**	*3.11*
Pension increase in payment RPI 5%	**3.09**	*2.97*
Pension increase in payment RPI 3%	**2.36**	*2.35*
Pension increase in payment RP1 2.5%	**2.06**	*2.06*
Pension increase in payment RPI 5% min 3%	**3.74**	*3.62*
Pension increase in payment CPI	**3.09**	*2.84*
Pension increase in payment CPI 5%	**2.90**	*2.74*
Pension increase in payment CPI 3%	**2.25**	*2.23*
Pension increase in payment CPI 2.5%	**1.98**	*1.97*
Pension increase in payment CPI 5% min 3%	**3.65**	*3.52*

All other assumptions have been set in accordance with the statement of funding principles. No allowance has been made for members transferring benefits out of the scheme in future.

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

	2026 Life expectancy at age 65 (years)	**2025 Life expectancy at age 65 (years)**
Male retiring in 2026	**20.7**	*20.2*
Female retiring in 2026	**22.9**	*22.7*
Male retiring in 2042	***21.9***	*21.4*
Female retiring in 2042	***24.4***	*24.1*

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2017 model with an allowance for smoothing of recent mortality experience and long term rates of 1.25% p.a. for males and 1% p.a. for females.

21. Scottish Housing Association Pension Scheme (continued)

Member data summary

Active members

	Number	Total earnings (£'000s p.a.)	Average age (unweighted)
Males	1	73	44
Females	2	169	56
Total	**3**	**242**	**52**

Deferred members

	Number	Deferred pensions (£'000s p.a.)	Average age (unweighted)
Males	3	33	53
Females	2	9	59
Total	**5**	**42**	**56**

Pensioners

	Number	Pensions (£'000s p.a.)	Average age (unweighted)
Males	6	92	68
Females	4	41	76
Total	**10**	**133**	**71**

Employers' debt on withdrawal

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefor depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The Association has been notified by TPT of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2025. As of this date the estimated employer debt for the Association was £803,668

21. Scottish Housing Association Pension Scheme (continued)

Contingent liability – Scheme benefit review

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

The Court hearing concluded in March 2026, with the Court's determination expected no earlier than the summer of 2026. After this, the Trustee and its advisers will consider the outcome and communicate next steps to employers. Depending on the outcome of the hearing, it may be necessary to ask further questions of the Court to clarify certain additional points.

Should the Court decide that the historic benefit changes need to be applied differently, then some member benefits would need to be increased, which would increase the value placed on Scheme liabilities. No allowance has been made for potential additional liabilities within the estimate provided above.

GMP equalisation

Guaranteed Minimum Pension (GMP) is the minimum pension which an occupational pension scheme in the UK has to provide for those employees who were contracted out of the State Earnings-Related Pension Scheme (SERPS).

Both pension scheme members and sponsoring employers paid lower National Insurance contributions at the time of accrual given the lower benefits being accrued for the member by the state.

Women can currently receive their GMP benefits at age 60 compared to age 65 for men. GMP also accrued at a faster rate for women than men. Historically some defined benefit schemes had different retirement ages for men and women. Therefore, schemes are required to "equalise" pension ages and overall benefit scales between males and females. The Scheme actuary is therefore required to estimate the impact of GMP and include an allowance for the increase in calculated liabilities.

22. Strathclyde Pension Scheme

Cassiltoun Housing Association Limited participates in the Strathclyde Pension Fund which is a statutory multi-employer defined benefit scheme. It is administered by Glasgow City Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended.

From 1 April 2015, the Scheme changed from a final salary 1/60th accrual scheme to a CARE 1/45th accrual scheme.

Post year end, on 31 May 2026, the Association exited the Strathclyde Pension Scheme.

22. Strathclyde Pension Scheme (continued)

The main financial assumptions used by the Council's Actuary, Hymans Robertson, in their calculations are as follows:

Assumptions as at	**31 March 2026**	*31 March 2025*
Pension increases	**3%**	*2.75%*
Salary increases	**3.7%**	*3.45%*
Discount rate	**6.3%**	*5.8%*

The average future life expectancies at age 65 are summarised below:

Mortality	*2025 Males*	*2025 Females*
Current Pensioners	*19.7 years*	*22.5 years*
Future Pensioners	*19.2 years*	*24.9 years*

Mortality	**2026 Males**	**2026 Females**
Current Pensioners	**20.1 years**	**22.6 years**
Future Pensioners	**19.5 years**	**25.1 years**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Sensitivity Analysis	**Approximate % increase to Employer Liability**	**Approximate Monetary amount (£000)**
0.1% decrease in Real Discount Rate	2%	29
1 year increase in member life expectancy	4%	60
0.1% increase in the Salary Increase Rate	0%	5
0.1% increase in the Pension Increase Rate (CPI)	2%	23

The table below compares the present value of the scheme liabilities, based on the Actuary's assumptions, with the estimated employer assets.

Net Pension Liability as at	**31 March 2026 £000**	*31 March 2025 £000*
Estimated Employer Assets (A)	**2,904**	*2,642*
Less: asset ceiling	**(1,259)**	*(1,026)*
Asset after ceiling applied	**1,645**	*1,616*
Present Value of Scheme Liabilities	**(1,512)**	*(1,444)*
Present Value of Unfunded Liabilities	**-**	-
Total Value of Liabilities (B)	**(1,512)**	*(1,444)*
Net Pension Asset / (Liability) (A) – (B)	**133**	*172*

22. Strathclyde Pension Scheme (continued)

Analysis of the amount charged to operating profit:

	Year to 31 March 2026 £'000	*Year to 31 March 2025 £'000*
Service cost	**-**	**-**
Contributions	**-**	**-**
Past service cost	**-**	**-**
Curtailment and settlements	**-**	**-**
Decrease in irrecoverable surplus	**-**	**-**
Total operating charge	**-**	**-**
Net Interest cost	**-**	**-**

	Year to 31 March 2026 £ 000	*Year to 31 March 2025 £ 000*
Analysis of the amount recognised in the Statement of Other Comprehensive Income:		
Actuarial (loss) recognised as other comprehensive income	**(39)**	*(128)*

Movement in pension during the year

	Year to 31 March 2026 £ 000	*Year to 31 March 2025 £ 000*
Asset (capped) in scheme at the beginning of the year	**172**	*300*
Current service cost	-	-
Employer contributions	-	-
Other income	-	-
Other outgoings (e.g. expenses, etc.)	-	-
Past service costs	-	-
Impact of settlements and curtailments	-	-
Net interest cost	-	-
Actuarial (loss)	**(39)**	*(128)*
Asset (capped) at the end of the year	**133**	*172*

Employer contributions for the year ended 31 March 2027 are expected to be £7,153.

As at the Statement of Financial Position date there were active members, deferred pensioner member and pensioner member of the Defined Benefit Scheme.

22. Strathclyde Pension Scheme (continued)

Member data summary

	Number	Total salaries/ pension (£'000s p.a.)	Average age
Active	3	160	55
Deferred	1	7	48
Pensioners	1	2	69

The membership data summarised in the table above is as at the most recent funding valuation date of 31 March 2023. Salaries are actual, not full-time equivalent. Deferred pensioners include undecided leavers and frozen refunds. Pensioners include dependants.

GMP equalisation

Guaranteed Minimum Pension (GMP) is the minimum pension which an occupational pension scheme in the UK has to provide for those employees who were contracted out of the State Earnings-Related Pension Scheme (SERPS).

Both pension scheme members and sponsoring employers paid lower National Insurance contributions at the time of accrual given the lower benefits being accrued for the member by the state.

Women can currently receive their GMP benefits at age 60 compared to age 65 for men. GMP also accrued at a faster rate for women than men. Historically some defined benefit schemes had different retirement ages for men and women. Therefore, schemes are required to "equalise" pension ages and overall benefit scales between males and females. The Scheme actuary is therefore required to estimate the impact of GMP and include an allowance for the increase in calculated liabilities.

23. Related party transactions

Board members

The Association has members of the Board of Management who are also tenants. The total rent charged in the year relating to those Board of Management members was £16,805 (*2025 - £15,795)*. The total rent arrears relating to tenant Board of Management members included within debtors at the year-end was £nil (*2025 - £nil*). The total prepaid rent relating to tenant Board of Management members included within creditors at the year-end was £1,904 (*2025 - £1,306).*

Cassiltoun Trust

Cassiltoun Housing Association Limited is the parent of Cassiltoun Trust.

During the year, management fees of £11,948 *(2025: £11,008)* and insurance costs £9,157 (2025: £10,838) were charged from the Association to the Trust.

During the year, rent and service charges of £240,642 *(2025: £122,809),* which included a service charge contribution of £118,318 *(2025: £nil)* towards the purchase of a new heating system for the shared building were charged to the Cassiltoun Housing Association Limited by Cassiltoun Trust. No amounts were outstanding at the year-end *(2025: £8,322 which was included in accrued income).*

The Association recharged £nil *(2025: £18,808)* of project costs incurred on behalf of the Trust.

At the year end the Trust owed the Association £2,312 *(2025: £21,121).*

23. Related party transactions (continued)

Cassiltoun Stables Nursery Limited

Cassiltoun Housing Association Limited is a related party by way of its control over Cassiltoun Stables Nursery Limited. Cassiltoun Trust is a subsidiary of Cassiltoun Housing Association Limited.

During the year management fees of £18,936 (*2025: £18,475*) and insurance costs £7,999 (2025: £7,618) were payable to the Association. At the Balance Sheet date £nil (*2025: £nil*) was due to Cassiltoun Housing Association Limited in respect of this.

During the year, rent and service charges of £213,493 *(2025: £94,421)* which included a service charge contribution of £118,318 *(2025: £nil)* towards the purchase of a new heating system for the shared building were charged to the Cassiltoun Stables Nursery Limited by Cassiltoun Trust. No amounts were outstanding at the year-end (*2025: £4,162 which was included in accrued income).*

24. Contingent liabilities

Capital Government Grants allocated to components are amortised over the useful life of the structure and recognised in the Statement of Comprehensive Income. In the event the Association sells a housing unit it may be liable to pay back to the Scottish Government or Glasgow City Council any Capital Government Grant receivable in the construction of the housing units.

There is also a contingent liability in relation to the Scottish Housing Association Pension Scheme and this has been fully detailed in Note 21.

25. Revenue commitments

At 31 March future minimum lease payments under non-cancellable operating leases were as follows:

Association	**Office space 2026 £**	*Office space 2025 £*
Operating leases payable:		
Not later than one year	**70,797**	*67,683*
Later than one year and not later than five years	**283,188**	*270,733*
Greater than five years	**223,431**	*271,289*
	577,416	*609,705*

The office space revenue commitment is in respect of five rooms leased from Cassiltoun Trust.

26. Capital Commitments – Group and Association	2026	*2025*
	£	£
Contracted for but not provided in these accounts	-	-
This is to be funded by:		
HAG	-	-
Private Finance	-	-
Reserves	-	-
	-	-
Approved by the Board of Management but not contracted for	-	-