



Annual Report and Financial Statements

For the year ended 31 March 2025

**Barrhead Housing Association Limited
Registered Social Landlord No. HCB70
FCA Reference No.2229R(S)
Scottish Charity No. SC036265**

| Homes | Community | People | Partnership

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Governing Board, Executive and Advisers

Governing Board

John Hamilton	Chairperson
Drew McKinney	Vice Chairperson
Brian Connelly MBE	
Rena McGuire BEM	
Beth Welsh	
Paul McIlvenny	
Alan Glasgow	
Lesley-Anne Junner	
Deborah McVey	
Alan Oliver	
CLlr Danny Devlin	
Jim Whyteside	

Executive Officers

Lorna Wilson	Chief Executive Officer
Lauren Rice	Director of Finance and Corporate Services
Scott Stewart	Director of Assets and Communities
Colin McCulloch	Director of Customer Services

Registered Office

60-70 Main Street
Barrhead
Glasgow
G78 1SB

Governing Board, Executive and Advisers (cont.)

External Auditors

Alexander Sloan LLP
180 St Vincent Street
Glasgow
G2 5SG

Internal Auditors

Wbg Services LLP
168 Bath Street
Glasgow
G2 4TP

Bankers

The Royal Bank of Scotland
1 Moncrieff Street
Paisley
Renfrewshire
PA3 2AW

Solicitors

TC Young
7 West George Street
Glasgow
G2 1BA

Report of the Governing Board

The Governing Board presents its report and the financial statements for the year ended 31 March 2025.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No 2229R(S)), the Scottish Housing Regulator as a registered social landlord (No.HCB70) under the Housing (Scotland) Act 2010, the Scottish Property Factor Register (No PF000969) and is a registered Scottish charity with the charity number SC036265.

Principal Activities

The Association's principal activity is the provision of affordable housing for let. This includes general needs, supported accommodation, amenity/disabled accommodation, and sheltered housing.

Business Review 2024/25: A Year of Progress and Community Impact

This year marked the first phase of delivering our five-year strategy: "**Build Homes, Grow Communities, Delight Customers.**" We took significant strides forward, laying strong foundations for lasting change.

Building Homes and Growing Communities

Our newly established subsidiary, **Vesta**, made a successful debut by converting a block of flats into 12 highly sought-after mid-market rent homes. Vesta was created to provide much-needed local housing while generating profit to support our charitable mission.

In partnership with **East Renfrewshire Council**, we focused on addressing the declared housing emergency. Together, we explored ways to increase the supply of affordable homes, optimize the use of our existing properties. We provided homes for 25 households who faced homelessness during the year, added 5 new homes to our portfolio and welcomed tenants from Hanover Housing Association who chose to transfer to Barrhead Housing. Additionally, we progressed with housing developments at Blackburn Square and Cross Arthurlie Street.

Embracing Digital Transformation

We advanced our digital services significantly, working with **Alertacall** to enhance tenant engagement and technology-enabled support for our sheltered housing residents. Our new **allocations policy** launched successfully, featuring online housing options advice through our innovative chatbot, **Vox**. We also introduced a revamped, more accessible website to better serve our community.

To further modernise our operations, we partnered with **Homemaster** to implement a modern management system, equipping our team with the tools they need to deliver exceptional service. In our

commitment to future-ready housing, we joined forces with **Aico** to pilot sensor technology. This project marks the beginning of our "**Homes That Talk to Us**" initiative, aiming to make all homes digitally connected by 2030.

Supporting Our Team and Building a Positive Culture

We continued to invest in our people by supporting each team member to reach their potential through our **wellbeing programme**, **agile working practices**, and **high-performance policy**. An innovative collaboration with two other housing associations enabled us to jointly employ a **Head of People and Culture**. This effort was recognized when Barrhead Housing became the first employer to achieve **FlexMark accreditation**, setting a new standard for flexible working. Our strong culture also led to a low turnover of 10% and a low sickness absence rate of 1.9%.

Community Engagement and Social Impact

Our work with communities grew stronger than ever. We supported tenants through our **welfare benefits service** and a new partnership with **RAMH**, while organising a wide range of local initiatives—from a new playpark and tree planting to family events and local volunteer support. These efforts not only foster local connections but also help reduce inequality and poverty.

Our commitment to community was recognized through two prestigious awards:

- **Community Initiative of the Year** at the All About Barrhead Awards
- **Community Impact Award** at the national SHARE Awards.

Delivering Day-In, Day-Out Quality

Our daily commitment to quality service delivery is reflected in our consistent improvement across key performance indicators since 2022. We successfully delivered our **investment programme**, upgrading 176 homes with new windows or kitchens, and maintained our focus on making a tangible difference in people's lives.

Governing Board and Executive Officers

The members of the Governing Board and the Executive officers are listed on page 1.

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

The members of the Governing Board are also trustees of the charity. Members of the Governing Body are appointed by the members at the Association's Annual General Meeting.

Statement of Governing Board's Responsibilities

The Co-operative and Community Benefit Societies Act 2014 requires the Governing Board to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the

Association and of the surplus or deficit of the Association for that period. In preparing those financial statements the Governing Board is required to:

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

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

Going Concern

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

Statement on Internal Financial Control

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

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

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

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

The Governing Board has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year end 31 March 2025. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

Donations

During the year the Association made no charitable donations (2024: £Nil).

Disclosure of Information to the Auditor

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

Auditor

A resolution to reappoint the Auditors, Alexander Sloan LLP, will be proposed at the Annual General Meeting.

By order of the Governing Board



Lauren Rice

Secretary

Date: 28/8/2025

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

In addition to our audit of the financial statements, we have reviewed your statement on pages 6 and 7 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

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

Opinion

In our opinion the Statement of Internal Financial Control on pages 6 and 7 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the financial statements.

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


ALEXANDER SLOAN LLP

Statutory Auditors

GLASGOW

Date: 28/8/2025



Alexander Sloan
Accountants and Business Advisers

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARRHEAD HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Barrhead Housing Association Limited (the 'Association') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2025 and of the surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024.

Basis of Opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARRHEAD HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Other Information (Contd.)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

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

Responsibilities of the Governing Board

As explained more fully in the statement of Governing Board's responsibilities as set out on pages 4 and 5, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Governing Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARRHEAD HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025 (continued)

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

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

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARRHEAD HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025 (continued)

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

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

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

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

Use of our Report

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


ALEXANDER SLOAN LLP
Statutory Auditors
Glasgow
Date: 28/8/2025
Alexander Sloan
Accountants and Business Advisers

BARRHEAD HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Notes	£	2025 £	£	2024 £
Revenue	2		6,810,230		6,488,941
Operating costs	2		6,142,426		5,523,898
OPERATING SURPLUS			<u>667,804</u>		<u>965,043</u>
Interest receivable and other income		70,649		99,655	
Interest payable and similar charges	7	(448,261)		(455,993)	
Other finance income/(charges)	10	<u>(22,000)</u>		<u>(9,000)</u>	
			<u>(399,612)</u>		<u>(365,338)</u>
Surplus on ordinary activities before taxation	8		<u>268,192</u>		<u>599,705</u>
SURPLUS FOR THE YEAR			268,192		599,705
Other comprehensive income					
Actuarial gains/(losses) on defined benefit pension plan	19		<u>43,000</u>		<u>(260,000)</u>
TOTAL COMPREHENSIVE INCOME			<u>311,192</u>		<u>339,705</u>

The results relate wholly to continuing activities.

The notes on pages 17 to 36 form an integral part of these financial statements.

BARRHEAD HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	£	2025 £	£	2024 £
NON-CURRENT ASSETS					
Housing properties - depreciated cost	11		51,303,825		50,930,530
Other tangible assets	11		344,368		376,941
Investments	12		1		1
			<u>51,648,194</u>		<u>51,307,472</u>
CURRENT ASSETS					
Receivables	13	252,751		328,116	
Investments		1,018,194		-	
Cash and cash equivalents	15	1,820,734		2,137,083	
		<u>3,091,679</u>		<u>2,465,199</u>	
CREDITORS: Amounts falling due within one year	16	<u>(1,809,187)</u>		<u>(1,586,077)</u>	
NET CURRENT ASSETS			<u>1,282,492</u>		<u>879,122</u>
TOTAL ASSETS LESS CURRENT			52,930,686		52,186,594
CREDITORS: Amounts falling due after more than one year	17		(8,036,845)		(7,139,902)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish housing association pension	19	<u>(407,000)</u>		<u>(445,000)</u>	
			(407,000)		(445,000)
DEFERRED INCOME					
Social housing grants	20	<u>(29,364,491)</u>		<u>(29,790,535)</u>	
			<u>(29,364,491)</u>		<u>(29,790,535)</u>
NET ASSETS			<u>15,122,350</u>		<u>14,811,157</u>
EQUITY					
Share capital	21		53		52
Revenue reserves			15,529,297		15,256,105
Pension reserves			(407,000)		(445,000)
			<u>15,122,350</u>		<u>14,811,157</u>

The financial statements were approved by the Governing Board and authorised for issue and signed on their behalf on 28/8/2025.

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The notes on pages 17 to 36 form an integral part of these financial statements.

BARRHEAD HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	£	2025 £	£	2024 £
Surplus for the Year			268,192		599,705
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	11	1,842,797		1,823,689	
Amortisation of capital grants	20	(1,023,384)		(1,026,831)	
Non-cash adjustments to pension provisions		5,000		(3,000)	
Share capital written off	21	(2)		(2)	
			824,411		793,856
Interest receivable			(70,649)		(99,655)
Interest payable	7		448,261		455,993
Operating cash flows before movements in working			1,470,215		1,749,899
Change in debtors		(19,635)		5,847	
Change in creditors		48,962		(491,169)	
			29,327		(485,322)
Net cash inflow from operating activities			1,499,542		1,264,577
Investing Activities					
Acquisition and construction of properties		(2,179,612)		(2,723,879)	
Purchase of other fixed assets		(3,907)		(14,019)	
Social housing grant received		692,340		182,749	
Changes on short term deposits with banks		(1,018,194)		-	
Net cash outflow from investing activities			(2,509,373)		(2,555,149)
Financing Activities					
Loan Advances Received		1,695,000		-	
Interest received on cash and cash equivalents		70,649		99,655	
Interest paid on loans		(448,261)		(455,993)	
Loan principal repayments		(623,909)		(560,622)	
Share capital issued	21	3		4	
Net cash inflow / (outflow) from financing activities			693,482		(916,956)
Decrease in cash	22		(316,349)		(2,207,528)
Opening cash & cash equivalents			2,137,083		4,344,611
Closing cash & cash equivalents			1,820,734		2,137,083
Cash and cash equivalents as at 31 March					
Cash	22		1,820,734		2,137,083
			1,820,734		2,137,083

The notes on pages 17 to 36 form an integral part of these financial statements.

BARRHEAD HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2025

	Share Capital	Scottish Housing Association Pension Reserve	Revenue Reserve	Total
	£	£	£	£
Balance as at 1 April 2023	50	(188,000)	14,659,400	14,471,450
Issue of Shares	4	-	-	4
Cancellation of Shares	(2)	-	-	(2)
Other comprehensive income	-	(260,000)	-	(260,000)
Other movements	-	3,000	(3,000)	-
Surplus for the year	-	-	599,705	599,705
Balance as at 31 March 2024	52	(445,000)	15,256,105	14,811,157
Balance as at 1 April 2024	52	(445,000)	15,256,105	14,811,157
Issue of Shares	3	-	-	3
Cancellation of Shares	(2)	-	-	(2)
Other comprehensive income	-	43,000	-	43,000
Other movements	-	(5,000)	5,000	-
Surplus for the year	-	-	268,192	268,192
Balance as at 31 March 2025	53	(407,000)	15,529,297	15,122,350

The notes on pages 17 to 36 form an integral part of these financial statements.

BARRHEAD HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance and Basis of Accounting

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

Revenue

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

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

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

Retirement Benefits

The Association previously participated in the Scottish Housing Association Pension Scheme (SHAPS) a multi-employer defined benefit scheme where retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102. The Association moved to the SHAPS defined contribution scheme on leaving the defined benefit scheme. Contributions to defined contribution plans are recognised as an employee benefit expense when they are due.

Going Concern

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

BARRHEAD HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Note to the financial statements (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Housing Properties

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

<i>Component</i>	<i>Useful Economic Life</i>
Kitchen	15 years
Central Heating System	30 years
Boilers	15 years
Bathrooms	20 years
Windows	25 years
Lifts	40 years
Structure	50 years
Roofs	40 years
Sheltered Housing Improvements	20 years

Depreciation and Impairment of Other Tangible Assets

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

<i>Asset Category</i>	<i>Depreciation Rate</i>
Office premises	Over 5 to 30 years
Furniture & equipment	Over 5 years

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

Social Housing Grants and Other Capital Grants

Social housing grants and other capital grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which they relate.

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

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

Taxation

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

BARRHEAD HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Leases

Costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised in the Statement of Financial Position and are depreciated over their useful lives or the term of the lease whichever is shorter.

Works to Existing Properties

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

Property Development Cost

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

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

Housing Property Managed By Agents

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

VAT

The Association was part of a VAT group with the subsidiary, Levern Property Services Ltd. However the group was deregistered with effect from 1 October 2023.

Basis of Consolidation

The Association has obtained exemption from the Financial Conduct Authority from producing Consolidated Financial Statements as provided by Section 14(2A) of the Friendly and Industrial and Provident Societies Act 1968. The financial statements for Barrhead Housing Association Limited present information about it as an individual undertaking and not about the group.

Financial Instruments - Basic

The Association classes all of its loans as basic financial instruments including agreements with break clauses. The Association recognises basic financial instruments in accordance with Section 11 of Financial Reporting Standard 102.

The Association's debt instruments are measured at amortised cost using the effective interest rate method.

Cash and Liquid Resources

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

Impairment

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

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

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

BARRHEAD HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Note to the financial statements (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Key Judgements and estimates made in the application of Accounting Policies

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

Key Judgements

a) Categorisation of Housing Properties

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

b) Identification of cash generating units

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

c) Financial instrument break clauses

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

d) Pension Liability

The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. The Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has decided that this method is appropriate and provides a reasonable estimate of the pension assets and liabilities of the Association and has therefore adopted this valuation method. Judgements relating to the benefits issue are included in Note 29.

Estimation Uncertainty

a) Rent Arrears - Bad Debt Provision

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

b) Life Cycle of Components

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

c) Useful life of properties, plant and equipment

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

d) Defined pension liability

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

BARRHEAD HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Note to the financial statements (continued)

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

	Notes	Turnover £	Operating costs £	2025 Operating surplus / (deficit) £	Turnover £	Operating costs £	2024 Operating surplus / (deficit) £
Affordable letting activities	3	6,402,898	5,788,140	614,758	6,096,779	5,152,382	944,397
Other Activities	4	407,332	354,286	53,046	392,162	371,516	20,646
Total		6,810,230	6,142,426	667,804	6,488,941	5,523,898	965,043

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

	General Needs Housing £	Supported Housing £	2025 Total £	2024 Total £
Revenue from Lettings				
Rent receivable net of service charges	5,240,074	134,505	5,374,579	5,027,124
Service charges receivable	54,633	24,318	78,951	69,688
Gross income from rent and service charges	5,294,707	158,823	5,453,530	5,096,812
Less: Rent losses from voids	67,599	6,417	74,016	26,864
Income from rents and service charges	5,227,108	152,406	5,379,514	5,069,948
Grants released from deferred income	1,023,384	-	1,023,384	1,026,831
Total turnover from affordable letting activities	6,250,492	152,406	6,402,898	6,096,779
Expenditure on affordable letting activities				
Management and maintenance administration costs	2,212,183	53,015	2,265,198	2,024,291
Service costs	58,579	20,372	78,951	75,462
Planned and cyclical maintenance, including major repairs	689,385	7,109	696,494	545,955
Reactive maintenance costs	853,692	31,223	884,915	676,197
Bad Debts - rents and service charges	54,486	-	54,486	61,387
Depreciation of affordable let properties	1,808,095	-	1,808,095	1,769,090
Operating costs of affordable letting activities	5,676,421	111,719	5,788,140	5,152,382
Operating surplus on affordable letting activities	574,071	40,687	614,758	944,397
2024	897,287	47,110		

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025
Note to the financial statements (continued)

4. Particulars of Revenue, Operating Costs and Operating Surplus or Deficit from Other Activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover	Other operating costs	Operating surplus /(deficit) 2025	Operating surplus /(deficit) 2024
	£	£	£	£	£	£	£	£
Community investment activities	225,292	-	-	186	225,478	242,757	(17,279)	19,861
Care and repair	-	59,570	-	-	59,570	1,852	57,718	-
Factoring	-	-	-	109,677	109,677	109,677	-	785
MMR income from Subsidiary	-	-	-	12,607	12,607	-	12,607	-
Total From Other Activities	225,292	59,570	-	122,470	407,332	354,286	53,046	20,646
2024	72,480	201,157	1,852	116,673	392,162	371,516	20,646	

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

5. Officers' Emoluments

	2025 £	2024 £
The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Governing Board, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	325,399	306,039
Pension contributions made on behalf of Officers with emoluments greater than £60,000	34,516	29,676
Emoluments payable to the Chief Executive Officer (excluding pension contributions)	95,500	91,750
Pension contributions paid on behalf of the Chief Executive Officer	8,502	8,173
Total emoluments payable to the Chief Executive Officer	104,002	99,923
Total emoluments paid to key management personnel	359,915	335,715
The number of Officers, including the highest paid Officer, who received emoluments, including pension contributions, over £60,000 was in the following ranges:-		
	No.	No.
£60,001 to £70,000	-	1
£70,001 to £80,000	-	2
£80,001 to £90,000	3	1
£100,001 to £110,001	1	-

6. Employee Information

	2025 No.	2024 No.
Average monthly number of full time equivalent persons employed during the	28	28
Average total number of employees employed during the year	31	32
Staff costs were:	£	£
Wages and salaries	1,206,586	1,106,798
National insurance costs	126,236	111,306
Pension costs	146,589	107,858
	1,479,411	1,325,962

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

7. Interest Payable and Similar Charges

	2025	2024
	£	£
On bank loans and overdrafts	448,261	455,993
	<u>448,261</u>	<u>455,993</u>

8. Surplus for the year

	2025	2024
	£	£
Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,785,225	1,780,715
Auditors' remuneration - audit services	<u>10,740</u>	<u>10,740</u>

9. Corporation Tax

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

10. Other Finance Income / (Charges)

	2025	2024
	£	£
Net interest on pension obligations	<u>(22,000)</u>	<u>(9,000)</u>

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

11. Non Current Assets

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Total £
COST			
At 1 April 2024	77,364,897	10,387	77,375,284
Additions	1,886,963	292,649	2,179,612
Disposals	(215,974)	-	(215,974)
	<u>79,035,886</u>	<u>303,036</u>	<u>79,338,922</u>
At 31 March 2025			
DEPRECIATION			
At 1 April 2024	26,444,754	-	26,444,754
Charge for Year	1,748,745	-	1,748,745
Disposals	(158,402)	-	(158,402)
	<u>28,035,097</u>	<u>-</u>	<u>28,035,097</u>
At 31 March 2025			
NET BOOK VALUE			
At 31 March 2025	<u>51,000,789</u>	<u>303,036</u>	<u>51,303,825</u>
At 31 March 2024	<u>50,920,143</u>	<u>10,387</u>	<u>50,930,530</u>

	2025		2024	
Expenditure on Existing Properties	Component £	Improvement £	Component £	Improvement £
Amounts capitalised	1,385,722	30,670	1,501,977	629,224
Amounts charged to the statement of comprehensive income	<u>-</u>	<u>1,581,409</u>	<u>-</u>	<u>1,222,152</u>

All land and housing properties are heritable.

The Association's lenders have standard securities over housing property with a carrying value of £22,661,434 (2024 - £20,105,811).

The depreciation charge on housing properties as shown above differs from that per Note 3 due to accelerated depreciation on component replacements.

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

11. Non Current Assets (continued)

(b) Other tangible assets	Office Premises £	Furniture & Equipment £	Machinery & Equipment £	Total £
COST				
At 1 April 2024	766,204	220,258	-	986,462
Additions	-	3,907	-	3,907
Eliminated on disposals	-	(66,180)	-	(66,180)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	766,204	157,985	-	924,189
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION				
At 1 April 2024	414,717	194,804	-	609,521
Charge for year	26,617	9,863	-	36,480
Eliminated on disposals	-	(66,180)	-	(66,180)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	441,334	138,487	-	579,821
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE				
At 31 March 2025	<u>324,870</u>	<u>19,498</u>	<u>-</u>	<u>344,368</u>
At 31 March 2024	<u>351,487</u>	<u>25,454</u>	<u>-</u>	<u>376,941</u>

12. Fixed Asset Investments

	2025 £	2024 £
Subsidiary undertakings	1	1
	<u>1</u>	<u>1</u>

Subsidiary Undertakings

Barrhead Housing Association Limited has the following wholly owned subsidiary undertaking. The registered office of the subsidiary is 60-70 Main Street, Barrhead, Glasgow.

	2025	2024
	Reserves £	Reserves £
	Profit / (Loss) £	Profit / (Loss) £
Vesta by Barrhead Housing Limited	(16,595)	3,679
	<u> </u>	<u> </u>
		(20,274)
		<u> </u>
		-

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

13. Receivables

	2025	2024
	£	£
Gross arrears of rent and service charges	250,312	244,295
Less: Provision for doubtful debts	(237,026)	(211,237)
<i>Net arrears of rent and service charges</i>	13,286	33,058
Social housing grant receivable	-	95,000
Other receivables	219,191	179,784
Amounts due from group undertakings	20,274	20,274
	<u>252,751</u>	<u>328,116</u>

14. Current Asset Investments

	2025	2024
	£	£
Short term deposits	1,018,194	-
	<u>1,018,194</u>	<u>-</u>

15. Cash and Cash Equivalents

	2025	2024
	£	£
Cash at bank and in hand	1,820,734	2,137,083
	<u>1,820,734</u>	<u>2,137,083</u>

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

16. Payables: Amounts falling due within one year

	2025	2024
	£	£
Bank loans	779,621	605,473
Trade payables	324,433	163,965
Rent received in advance	243,874	223,409
Other taxation and social security	26,938	29,909
Other payables	14,561	37,277
Accruals and deferred income	419,760	526,044
	<u>1,809,187</u>	<u>1,586,077</u>

17. Payables: Amounts falling due after more than one year

	2025	2024
	£	£
Bank loans	8,036,845	7,139,902
	<u>8,036,845</u>	<u>7,139,902</u>

18. Debt analysis: Borrowings

	2025	2024
	£	£
Bank Loans		
Amounts due within one year	779,621	605,473
Amounts due in one year or more but less than two years	799,396	694,871
Amounts due in two years or more but less than five years	2,557,974	2,233,004
Amounts due in more than five years	4,579,157	4,212,027
	<u>8,816,467</u>	<u>7,745,375</u>

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

Lender	Number of Properties Secured*	Effective Interest Rate	Maturity (Year)	Variable or Fixed
Nationwide		5.415%	2032	Var
Nationwide		4.2%	2032	Fix
Nationwide	256	Base + 0.265%	2032	Var
Nationwide		Base + 0.265%	2032	Var
Nationwide		Base + 0.265%	2032	Var
Santander	105	Base + 0.9%	2033	Var
Santander		4.3%	2033	Fix
Triodos	90	Base + 1.7%	2044	Var

* Secured property numbers are given by lender/facility, rather than individual loan.

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

19. Retirement Benefit Obligations

Scottish Housing Association Pension Scheme

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

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

The last triennial valuation of the Scheme was performed as at 30 September 2024 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £689.8m. The valuation revealed a shortfall of assets compared with the value of liabilities of £79.5m (equivalent to a past service funding level of 90%). A recovery plan is being put in place to eliminate the past service deficit from 1 April 2026 to 31 March 2030 for the majority of employers.

The Scheme operates on a 'last man standing' basis, meaning that in the event of an employer withdrawing from the Scheme and being unable to pay its share of the debt on withdrawal, then the liability of the withdrawing employer is reapportioned amongst the remaining employers. Therefore in certain circumstances the Association may become liable for the obligations of a third party.

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

	2025 £	2024 £	2023 £
Fair value of plan assets	2,907,000	3,208,000	3,453,000
Present value of defined benefit obligation	3,314,000	3,653,000	3,641,000
Surplus / (deficit) in plan	(407,000)	(445,000)	(188,000)
Unrecognised surplus	-	-	-
Defined benefit asset / (liability) to be recognised	(407,000)	(445,000)	(188,000)

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

19. Retirement Benefit Obligations (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2025 £	2024 £
Defined benefit obligation at the start of period	3,653,000	3,641,000
Current service cost	2,000	3,000
Expenses	6,000	5,000
Interest expense	177,000	176,000
Contributions by plan participants	18,000	14,000
Actuarial losses (gains) due to scheme experience	36,000	(38,000)
Actuarial losses (gains) due to changes in demographic assumptions	-	(20,000)
Actuarial losses (gains) due to changes in financial assumptions	(451,000)	(29,000)
Benefits paid and expenses	(127,000)	(99,000)
Defined benefit obligation at the end of period	<u>3,314,000</u>	<u>3,653,000</u>

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

	2025 £	2024 £
Fair value of plan assets at start of period	3,208,000	3,453,000
Interest income	155,000	167,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(372,000)	(347,000)
Contributions by the employer	25,000	20,000
Contributions by plan participants	18,000	14,000
Benefits paid and expenses	(127,000)	(99,000)
Fair value of plan assets at the end of period	<u>2,907,000</u>	<u>3,208,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £(217,000).

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

19. Retirement Benefit Obligations (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2025 £	2024 £
Current service cost	2,000	3,000
Expenses	6,000	5,000
Net interest expense	22,000	9,000
Defined benefit costs recognised in statement of comprehensive income	<u>30,000</u>	<u>17,000</u>

Defined benefit costs recognised in the other comprehensive income

	2025 £	2024 £
Experience on plan assets (excluding amounts included in interest income) - gain /(loss)	(372,000)	(347,000)
Experience gains and losses arising on plan liabilities - gain /(loss)	(36,000)	38,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	-	20,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	<u>451,000</u>	<u>29,000</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	43,000	(260,000)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) - gain / (loss)	<u>-</u>	<u>-</u>
Total amount recognised in other comprehensive income - gain (loss)	<u>43,000</u>	<u>(260,000)</u>

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025

Note to the financial statements (continued)

19. Retirement Benefit Obligations (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2025 £	2024 £	2023 £
Absolute Return	-	144,000	47,000
Alternative Risk Premia	-	115,000	20,000
Corporate Bond Fund	-	-	4,000
Credit Relative Value	-	113,000	132,000
Distressed Opportunities	-	118,000	106,000
Emerging Markets Debt	-	56,000	27,000
Global Equity	336,000	369,000	91,000
Currency Hedging	5,000	(1,000)	7,000
Infrastructure	1,000	307,000	372,000
Insurance-Linked Securities	11,000	20,000	96,000
Liability Driven Investment	818,000	1,160,000	1,462,000
Long Lease Property	1,000	24,000	116,000
Net Current Assets	4,000	4,000	8,000
Private Debt	-	129,000	154,000
Property	144,000	136,000	144,000
Risk Sharing	-	192,000	252,000
Secured Income	67,000	107,000	231,000
Opportunistic Illiquid Credit	-	128,000	153,000
Cash	16,000	83,000	14,000
High Yield	-	1,000	17,000
Private Equity	3,000	3,000	-
Liquid Alternatives	535,000	-	-
Real Assets	347,000	-	-
Private Credit	362,000	-	-
Credit	124,000	-	-
Investment Grade Credit	133,000	-	-
Total assets	2,907,000	3,208,000	3,453,000

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

Key Assumptions

	2025	2024	2023
Discount Rate	5.9%	4.9%	4.9%
Inflation (RPI)	3.1%	3.1%	3.2%
Inflation (CPI)	2.8%	2.8%	2.8%
Salary Growth	3.8%	3.8%	3.8%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance		

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	Life expectancy at age 65 years (years)
Male retiring in 2025	20.2
Female retiring in 2025	22.7
Male retiring in 2045	21.5
Female retiring in 2045	24.2

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

20. Deferred Income

	Social Housing Grants £	Total £
Capital grants received		
At 1 April 2024	48,021,019	48,021,019
Additions in the year	597,340	597,340
Eliminated on disposal	-	-
At 31 March 2025	48,618,359	48,618,359
Amortisation		
At 1 April 2024	18,230,484	18,230,484
Amortisation in year	1,023,384	1,023,384
Eliminated on disposal	-	-
At 31 March 2025	19,253,868	19,253,868
Net book value		
At 31 March 2025	29,364,491	29,364,491
At 31 March 2024	29,790,535	29,790,535
This is expected to be released to the Statement of Comprehensive Income in the following years:		
	2025	2024
	£	£
Amounts due within one year	1,021,200	1,030,900
Amounts due in more than one year	28,343,291	28,759,635
	29,364,491	29,790,535

21. Share Capital

	2025 £	2024 £
Shares of £1 each, issued and fully paid		
At 1 April	52	50
Issued in year	3	4
Cancelled in year	(2)	(2)
At 31 March	53	52

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

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

22. Cash Flows

Reconciliation of net cash flow to movement in net debt

	2025		2024	
	£	£	£	£
Decrease in cash	(316,349)		(2,207,528)	
Change in liquid resources	1,018,194		-	
Cashflow from change in net debt	(1,071,091)		560,622	
Movement in net debt during the year		(369,246)		(1,646,906)
Net debt at 1 April		(5,608,292)		(3,961,386)
Net debt at 31 March		(5,977,538)		(5,608,292)

	At 01 April 2024	Cashflows	Other Changes	At 31 March 2025
	£	£	£	£
Cash and cash equivalents	2,137,083	(316,349)	-	1,820,734
	2,137,083	(316,349)	-	1,820,734
Liquid resources	-	1,018,194	-	1,018,194
Debt: Due within one year	(605,473)	(1,071,091)	896,943	(779,621)
Due after more than one year	(7,139,902)	-	(896,943)	(8,036,845)
Net debt	(5,608,292)	(369,246)	-	(5,977,538)

23. Capital Commitments

	2025	2024
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	872,950	2,080,666

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

24. Commitments Under Operating Leases

	2025	2024
	£	£
At the year end, the total minimum lease payments under non-cancellable operating leases were as follows:		
Other		
Expiring in the next year	1,569	5,764
Expiring later than one year and not later than five years	4,315	5,884

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 Note to the financial statements (continued)

25. Details of Association

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

The Association's principal place of business is 60-70 Main Street, Barrhead, Glasgow, G78 1SB.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in East Renfrewshire.

26. Governing Board Member Emoluments

Governing Board members received £767 (2024 - £50) in the year by way of reimbursement of expenses. No remuneration is paid to members in respect of their duties to the Association.

27. Housing Stock

	2025 No.	2024 No.
The number of units of accommodation in management at the year end was:-		
General needs	1,015	998
Supported housing	-	12
	<u>1,015</u>	<u>1,010</u>

28. Related Party Transactions

Members of the Governing Board are related parties of the Association as defined by Financial Reporting Standard 102.

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

Transactions with Governing Board members (and their close family) were as follows:

	2025 £	2024 £
Factoring charges received from factored owners on the Governing Board and their close family members	<u>524</u>	<u>411</u>

At the year end total factoring arrears owed by owner occupiers on the Governing Board (and their close family) were £7 (2024 - £155).

Members of the Governing Board who are owner occupiers	1	1
Members of the Governing Board who are local councillors	1	1

Councillor Danny Devlin was co-opted onto the Board from September 2022. Any transactions with East Renfrewshire Council are made at arm's length, on normal commercial terms and Councillors cannot use their position to their advantage.

At the year-end an amount of £20,274 (2024: £20,274) was due from Vesta by Barrhead Housing Limited.

A member of the Association's governing board has an interest in Glasgow West of Scotland Forum and East Renfrewshire Chamber of Commerce. The Association made payments to these organisations during the year of £2,501 (2024: £2,121) and £216 (2024: £216) respectively.

A member of the governing board has an interest in IncludeMe2Club. The Housing Association paid £1,642 (2024: £386) to the organisation during the year for room hire and attendance at an awards ceremony.

A member of the governing board has an interest in All about Barrhead. The Housing Association paid £750 (2024: £900) to the organisation during the year in relation to attendance at an awards ceremony.

BARRHEAD HOUSING ASSOCIATION LIMITED

Financial Statements for the year ended 31 March 2025 **Note to the financial statements (continued)**

29 Contingent Liability

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2025 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.