



Alexander Sloan
Accountants and Business Advisers

Bridgewater Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2025

Registered Social Landlord No. HAL301

FCA Reference No.2525R(S)

Scottish Charity No. SC035819

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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BRIDGEWATER HOUSING ASSOCIATION LIMITED

BOARD, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Board

John Paterson
Alastair Morris

Suzanne Austin
Robert McNally
Ken McIntosh
Ken Caldwell
Jim O'Neil
Liz Bowden
Gavin Dayer
Derek Baker
Aileen Naismith
Denise Love

Chairperson

Vice Chairperson (appointed 11 September 2024)
Secretary (appointed 11 September 2024)

Co-opted 22 January 2025
Resigned 16 April 2024
Resigned 17 April 2024

Executive Officers

Andy Thomson
Alison McManus
Steven Ferrie
Ruth Brogan

Hazel Aitken

Leanne McGowan
Laura-Jane Richards

Chief Executive

Head of Corporate Services
Head of Property Services
Head of Housing Services (PT) (retired 31/12/2024)
Head of Housing Services (PT) (retired 31/03/2025)
Head of Finance
Head of Housing Services (appointed 24/03/2025)

Registered Office

Ground Floor West
India of Inchinnan
Greenock Road
Inchinnan, Renfrew, PA4 9LH

External Auditors

Alexander Sloan LLP
180 St Vincent Street
Glasgow
G2 5SG

Internal Auditors

Wylie & Bisset
168 Bath Street
Glasgow
G2 4TP

Bankers

The Royal Bank of Scotland PLC
Kirkstane House
3rd Floor, 139 St. Vincent Street
Glasgow, G2 5JF

Bank of Scotland
Unit 8, Bridgewater Shopping Centre
Erskine, PA8 7AA

Nationwide Building Society Limited
Housing Finance
Commercial Division
Nationwide Building Society
Northampton, NN3 6NW

Solicitors

Harper MacLeod LLP
The Ca'd'oro
45 Gordon Street
Glasgow, G1 3PE

MacRoberts LLP
Capella
60 York Street
Glasgow, G2 8JX

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2025

The 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 2525RS), the Scottish Housing Regulator as a registered social landlord (No. HAL301) under the Housing (Scotland) Act 2010 and as a registered Scottish Charity with the charity number SC035819.

Principal Activities

The principal activities of the Association are:

- The provision and management of housing for rent.
- The provision of services to owner-occupiers where the Association either factors property or has a relationship with an owner by virtue of the Association's previous role as Feu Superior.
- Delivering under contract, the Care and Repair service for Renfrewshire, East Renfrewshire and Inverclyde Local Authorities.
- The provision of a Supported Housing Service to older and or vulnerable tenants living in the Association's Sheltered Housing.

Charitable Objects

Bridgewater Housing Association Limited has been formed for the benefit of the community. Its charitable objects focus on the provision of housing and related services for people who are in need of our housing and services.

Permitted Activities

The Association's permitted activities and powers include anything which is necessary and expedient to help us achieve our charitable objects but we will also:

- Have regard for the requirement of public accountability;
- Use any money we receive carefully and properly; and
- Consider the welfare of the people who live in the properties we own.

Review of the Business and Future Developments

The past year has been one of continued progress and resilience for Bridgewater Housing Association. We have built upon the foundations laid in our 2023–2028 Business Plan, navigating sector-wide challenges while delivering meaningful improvements for our tenants, residents, and communities.

A major milestone was the successful implementation of the second stage of our staff restructure and carrying out a culture review within the organisation. This has further strengthened our capacity to deliver high-quality services and respond effectively to the evolving needs of our customers. In line with our commitment to developing future talent, we welcomed two new Modern Apprentices to our workforce, offering them valuable training and career development opportunities. The establishment of our new Customer Service Team marks another step forward in our transformation journey. We are continually exploring ways to enhance service delivery and ensure a positive experience for all customers.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD (continued) FOR THE YEAR ENDED 31 MARCH 2025

We've also invested significantly in upgrading our IT systems and hardware across the organisation. These enhancements have led to increased efficiency and the introduction of improved services for both customers and staff.

In August 2024, we proudly hosted our first Tenant Gala Day at our offices. This event marked a significant step in strengthening community engagement and enhancing our role as a community anchor organisation. The positive feedback received reinforces our commitment to building strong relationships with our tenants and residents.

We also successfully transitioned our sheltered housing to an Amenity Plus model. This modernised service offers improved support at a reduced cost to tenants, aligning with our goal of delivering value while enhancing quality of life.

Collaboration remains a key strategic priority. We are actively exploring opportunities to work with FLAIR partners and other local landlords to share services and improve outcomes for tenants.

The Association introduced our social responsibility strategy, which details our commitment to making a positive contribution through four designated approaches. We acknowledge our integral role as a key employer and community anchor within Erskine and Renfrewshire, and thus, our responsibilities extend beyond the direct operations of the Association. We also reviewed our Procurement Strategy and embedded our Value for Money statement within our operations during the year.

In response to the ongoing cost-of-living crisis, we continued to provide financial assistance, energy advice, and wellbeing programmes. These initiatives have been crucial in supporting our tenants through difficult times.

Looking ahead, we are focused on strengthening our wider action model. Following the approval of our new Purpose > Way > Impact statement, we reaffirm our commitment to being more than just a landlord. We aim to play a central role in improving the lives of our tenants and the communities we serve.

We continued to expand our housing portfolio through strategic partnerships and funding opportunities. Engagement with Cala Homes has opened up promising discussions around the development of new homes in Erskine. Additionally, we successfully added four properties to our stock through the Rental Off the Shelf (ROTS) programme, supported by Renfrewshire Council and the Scottish Government.

To improve our repairs and maintenance services, we implemented a new dynamic purchasing (DPS) system for reactive and void works. This has enabled us to engage smaller, local contractors, resulting in faster response times and higher levels of tenant satisfaction.

However, the year was not without challenges. We identified the presence of Reinforced Autoclaved Aerated Concrete (RAAC) within some of our housing stock. We are currently assessing the extent of the issue and are engaging positively with affected tenants and owners to ensure safety and transparency throughout the process.

Our factoring service saw significant improvements, including the introduction of real-time billing for owners. These enhancements have increased transparency and efficiency, contributing to a better experience for homeowners.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD (continued) FOR THE YEAR ENDED 31 MARCH 2025

While we were unable to secure a contract for a full stock condition survey, we have decided to carry out ongoing in-house surveys starting in summer 2025. This approach will provide us with the data needed to plan future investment and maintenance effectively. This allows the Association to re-launch our full investment programme for 2025/2026.

Bridgewater remains the largest provider of Care and Repair services in Scotland, operating across Renfrewshire, East Renfrewshire, and Inverclyde. This vital service continues to support older and disabled residents, and we are proud of the partnerships we have built to enhance its reach and impact.

Governance

The Association is regulated by the Scottish Housing Regulator, OSCR and the Care Inspectorate (until 31st March 2025). A dedicated Board of Management, made up of volunteers elected by our members, oversees all activities. This Board, with support from our staff team and both internal and external auditors, ensures robust monitoring of both financial and non-financial performance.

Despite the economic challenges, Bridgewater remains financially resilient. We are committed to safeguarding the Association's long-term financial health while continuing to invest in services, people, and communities.

We completed independent reviews of all areas of tenant and resident safety. As a result, our engagement with the Scottish Housing Regulator regarding gas safety issues has now ceased, reflecting our commitment to continuous improvement and compliance.

Our 6th Annual Assurance Statement has been submitted, backed by a detailed self-assessment against regulatory standards for governance and financial management, and our working group and annual Board Member review. Our volunteer Board dedicates their time, skills, experience, and knowledge to ensure Bridgewater's robust governance and a clear strategic direction. Acting on behalf of members and tenants, they ensure Bridgewater is professionally managed, controlled, and delivers the required outputs while complying with all legislative and regulatory standards.

Looking ahead

Bridgewater Housing Association is on an exciting journey of transformation. Our ambitious 2023-2028 business plan outlines key areas that will shape our future success, ensuring we continue to provide excellent services and strengthen our communities.

Our Key Focus Areas for 2025 and Beyond

- **Business Transformation:** We're dedicated to giving our tenants and owners the best possible experience. This means continually upgrading our services, improving our customer offering, embracing ICT and AI services to enhance efficiency, and consistently delivering high-quality, affordable housing to those who need it most. As we progress, we'll seek external accreditation to underscore our commitment to our customers.
- **Enhanced Factoring Services:** Owning a property should be straightforward, not a burden. We're continuing to invest resources to keep improving our factoring services for homeowners across the area.
- **Care and Repair:** Building on our past achievements, we're continuing to forge strong partnerships to deliver exceptional Care and Repair services in Renfrewshire, East Renfrewshire, and Inverclyde, focusing on the well-being of our older and disabled residents.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD (continued) FOR THE YEAR ENDED 31 MARCH 2025

- **Financial Strength for the Future:** We recognise the ongoing economic challenges, but our commitment to safeguarding Bridgewater's financial health remains unwavering. This ensures we'll thrive and continue serving our communities for the long term.
- **Purpose-Driven Vision:** Following a recent review of our business plan, we've developed a clear "Purpose > Way > Impact" statement. This outlines our long-term vision for the Association, emphasising our role as a community anchor and expanding the services we provide to prove we're much more than just a landlord.
- **Customer Offer:** To better inform our future business plans, we'll be conducting separate Tenant and Owner Satisfaction surveys in the coming months. The insights from both surveys will directly lead to the development of a comprehensive action plan, which we'll implement over the next few years to enhance our services.
- **Improving Our Housing Stock:** Our dedicated team is carrying out a comprehensive, ongoing stock condition survey. This vital work prioritises tenant safety, boosts energy efficiency, and helps us achieve Net Zero goals. It's all about ensuring our housing remains modern and sustainable, with the first stage of investment planned for 2025-2026.
- **Building Stronger Communities:** Bridgewater is committed to being a visible and active community anchor organisation. Our first Tenant Gala Day was just the start of many initiatives designed to enhance our presence and foster deeper connections with tenants and other customers. Expect to see us out and about more, establishing more events in the coming years for all residents to engage with us.
- **Our Role as an Employer:** We're enhancing our commitment to staff by conducting an employee engagement survey, reviewing our recruitment package, and developing new wellbeing programs.
- **Development Opportunities:** We're actively exploring the feasibility of developing new-build homes in Erskine and the surrounding area, always with affordability for our tenants as a top priority.

There's a great deal we aim to achieve at Bridgewater. We're excited about shaping a bright future for our tenants, owners, and the wider communities we proudly serve.

Board and Executive Officers

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

Each member of the 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 Board.

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

Statement of Board's Responsibilities

The Co-operative and Community Benefit Societies Act 2014 requires the 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 Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD (continued) FOR THE YEAR ENDED 31 MARCH 2025

- 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 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.

The Board must in determining how amounts are presented within items in the Statement of Comprehensive Income and Statement of Financial Position, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

Going Concern

Based on its budgetary and forecasting processes the 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 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 Board'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 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 leadership team and the 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;

BRIDEWATER HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD (continued) FOR THE YEAR ENDED 31 MARCH 2025

- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Board;
- the 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; and
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The 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.

Disclosure of Information to the Auditor

The members of the 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

Alexander Sloan LLP were reappointed as auditors following a competitive tendering exercise.

By order of the Board



Suzanne Austin
Secretary
27 August 2025

BRIDGEWATER HOUSING ASSOCIATION LIMITED

REPORT BY THE AUDITORS TO THE MEMBERS OF BRIDGEWATER 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 Board 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 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

ALEXANDER SLOAN LLP
Statutory Auditors
GLASGOW
27 August 2025



Alexander Sloan
Accountants and Business Advisers

BRIDGEWATER HOUSING ASSOCIATION LIMITED

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

Opinion

We have audited the financial statements of Bridgewater 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 deficit 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 with respect to going concern are described in the relevant sections of this report.

Other Information

The 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.

BRIDgewater HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGEWATER 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 Board

As explained more fully in the statement of Board's responsibilities as set out on pages 5 and 6, the Board 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 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 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 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:

BRIDGEWATER HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGEWATER 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 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.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGEWATER 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 Board Members 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

ALEXANDER SLOAN LLP
Statutory Auditors
GLASGOW
27 August 2025



Alexander Sloan
Accountants and Business Advisers

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2025	2024
		£	£
NON-CURRENT ASSETS			
Housing properties - depreciated cost	12	23,279,439	23,432,384
Other tangible assets	12	88,628	102,010
		<u>23,368,067</u>	<u>23,534,394</u>
CURRENT ASSETS			
Receivables	13	843,896	1,151,733
Cash and cash equivalents	14	6,627,415	6,350,850
		<u>7,471,311</u>	<u>7,502,583</u>
CREDITORS: Amounts falling due within one year	15	<u>(2,941,671)</u>	<u>(2,108,904)</u>
NET CURRENT ASSETS		<u>4,529,640</u>	<u>5,393,679</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>27,897,707</u>	<u>28,928,073</u>
CREDITORS: Amounts falling due after more than one year	16	(1,996,961)	(2,949,626)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES			
Scottish housing association pension scheme	18	<u>(698,000)</u>	<u>(748,000)</u>
		(698,000)	(748,000)
DEFERRED INCOME			
Social housing grants	19	<u>(9,026,855)</u>	<u>(9,038,739)</u>
		<u>(9,026,855)</u>	<u>(9,038,739)</u>
NET ASSETS		<u>16,175,891</u>	<u>16,191,708</u>
EQUITY			
Share capital	20	38	49
Revenue reserves		16,873,853	16,939,659
Pension reserves		<u>(698,000)</u>	<u>(748,000)</u>
		<u>16,175,891</u>	<u>16,191,708</u>

The financial statements were approved by the Board and authorised for issue and signed on their behalf on 27 August 2025.


Board Member


Board Member


Secretary

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

BRIDGEWATER HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Notes	£	2025 £	£	2024 £
Revenue	2		6,767,885		6,629,332
Operating costs	2		6,941,825		5,605,031
OPERATING (DEFICIT) / SURPLUS			(173,940)		1,024,301
Loss on disposal of components	7	(14,942)		(5,266)	
Interest receivable and other income		213,459		180,533	
Interest payable and similar charges	8	(90,383)		(107,076)	
Other Finance income/(charges)	11	(37,000)		(15,000)	
			71,134		53,191
(DEFICIT) / SURPLUS FOR THE YEAR			(102,806)		1,077,492
Other comprehensive income					
Actuarial gains/(losses) on defined benefit pension plan	18		87,000		(428,000)
TOTAL COMPREHENSIVE INCOME			(15,806)		649,492

The results relate wholly to continuing activities.

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	£	2025 £	£	2024 £
Surplus for the Year			(102,806)		1,077,492
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	12	939,680		858,802	
Amortisation of capital grants	19	(246,884)		(252,687)	
Loss on disposal of tangible fixed assets		14,942		5,266	
Non-cash adjustments to pension provisions		37,000		15,000	
Share capital written off	20	(17)		(3)	
			744,721		626,378
Interest receivable			(213,459)		(180,533)
Interest payable	8		90,383		107,076
Operating cash flows before movements in working capital			518,839		1,630,413
Change in debtors		307,837		(6,033)	
Change in creditors		915,528		(390,659)	
			1,223,365		(396,692)
Net cash inflow from operating activities			1,742,204		1,233,721
Investing Activities					
Acquisition and construction of properties		(763,062)		(193,762)	
Purchase of other fixed assets		(25,233)		(105,832)	
Social housing grant received		235,000		-	
Net cash outflow from investing activities			(553,295)		(299,594)
Financing Activities					
Interest received on cash and cash equivalents		213,459		180,533	
Interest paid on loans		(90,383)		(107,076)	
Loan principal repayments		(1,035,426)		(1,015,711)	
Share capital issued	20	6		2	
Net cash outflow from financing activities			(912,344)		(942,252)
Increase/(decrease) in cash	21		276,565		(8,125)
Opening cash & cash equivalents			6,350,850		6,358,975
Closing cash & cash equivalents			6,627,415		6,350,850
Cash and cash equivalents as at 31 March					
Cash	21		6,627,415		6,350,850
			6,627,415		6,350,850

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

BRIDGEWATER 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	(305,000)	15,847,167	15,542,217
Issue of Shares	2	-	-	2
Cancellation of Shares	(3)	-	-	(3)
Other comprehensive income	-	(428,000)	-	(428,000)
Other movements	-	(15,000)	15,000	-
Surplus for the year	-	-	1,077,492	1,077,492
Balance as at 31 March 2024	49	(748,000)	16,939,659	16,191,708
Balance as at 1 April 2024	49	(748,000)	16,939,659	16,191,708
Issue of Shares	6	-	-	6
Cancellation of Shares	(17)	-	-	(17)
Other comprehensive income	-	87,000	-	87,000
Other movements	-	(37,000)	37,000	-
Deficit for the year	-	-	(102,806)	(102,806)
Balance as at 31 March 2025	38	(698,000)	16,873,853	16,175,891

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

BRIDGEWATER 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 2024. A summary of the principal accounting policies is set out below.

Revenue

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

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

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

Retirement Benefits

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

Going Concern

On the basis that the 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.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES 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>
Land	Not depreciated
Structure	50 years
Kitchens	15 years
Bathrooms	30 years
Central heating boilers	15 years
Central heating radiators and controls	30 years
Windows and doors	25 years
Electrical rewiring	25 years
Roofs	40 years
Lifts	25 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>
Leasehold improvements	Over remaining life of lease
Office equipment	20%
Fixtures and fittings	15 - 20%
Computer equipment	33.3%
Motor vehicles	25%

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.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Taxation

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

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.

Capitalisation Of Development Overheads

Directly attributable development administration costs relating to ongoing development activities are capitalised.

Borrowing Costs

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme. All other borrowing costs are expensed to the statement of comprehensive income using the effective interest rate method.

Property Development Cost

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

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 cannot 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.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES 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 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 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 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 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 has 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 27.

e) Concessionary Loan

Concessionary loans are recognised in the Statement of Financial Position at the amount paid or received.

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.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

				2025			2024
			Operating	Operating		Operating	Operating
Notes	Turnover	costs	surplus	Turnover	costs	surplus	surplus
	£	£	£	£	£	£	£
Affordable letting activities	3	5,360,098	5,288,564	71,534	5,119,964	4,162,833	957,131
Other Activities	4	1,407,787	1,653,261	(245,474)	1,509,368	1,442,198	67,170
Total		6,767,885	6,941,825	(173,940)	6,629,332	5,605,031	1,024,301

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

	General Needs Housing £	Supported Housing £	Shared Ownership £	2025 Total £	2024 Total £
Revenue from Lettings					
Rent receivable net of service charges	4,180,495	694,758	-	4,875,253	4,588,144
Service charges receivable	57,487	228,119	-	285,606	221,175
Gross income from rent and service charges	4,237,982	922,877	-	5,160,859	4,809,319
Less: Rent losses from voids	67,963	16,982	-	84,945	49,619
Income from rents and service charges	4,170,019	905,895	-	5,075,914	4,759,700
Grants released from deferred income	246,884	-	-	246,884	252,687
Revenue grants from Scottish Ministers	29,800	-	-	29,800	30,000
Other revenue grants	7,500	-	-	7,500	77,577
Total turnover from affordable letting activities	4,454,203	905,895	-	5,360,098	5,119,964
Expenditure on affordable letting activities					
Management and maintenance administration costs	1,605,244	266,569	-	1,871,813	1,767,381
Exceptional item - provision to rectify properties with RAAC	735,510	-	-	735,510	-
Service costs	41,435	164,424	-	205,859	316,504
Planned and cyclical maintenance, including major repairs	447,724	74,408	-	522,132	447,767
Reactive maintenance costs	926,393	147,597	-	1,073,990	808,273
Bad Debts - rents and service charges	(18,698)	(3,107)	-	(21,805)	(541)
Depreciation of affordable let properties	772,657	128,408	-	901,065	823,449
Operating costs of affordable letting activities	4,510,265	778,299	-	5,288,564	4,162,833
Operating surplus on affordable letting activities	(56,062)	127,596	-	71,534	957,131
2024	941,257	15,874	-		

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
NOTES 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	Supporting people income	Other income	Total Turnover	Operating costs - bad debts	Other operating costs	Operating surplus / (deficit) 2025	Operating surplus / (deficit) 2024
	£	£	£	£	£	£	£	£	£
Care and repair	-	-	-	564,391	564,391	-	549,704	14,687	68,366
Factoring	-	-	-	614,883	614,883	297,041	583,678	(265,836)	9,120
Support activities	-	-	57,837	124,451	182,288	-	197,662	(15,374)	(29,134)
Other activities	-	-	-	46,225	46,225	-	25,176	21,049	18,818
Total From Other Activities	-	-	57,837	1,349,950	1,407,787	297,041	1,356,220	(245,474)	67,170
2024	-	130,500	52,442	1,326,426	1,509,368	34,635	1,407,563	67,170	

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES 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 Board, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	271,219	135,209
Pension contributions made on behalf on Officers with emoluments greater than £60,000	50,620	28,595
Emoluments payable to Chief Executive (excluding pension contributions)	80,648	74,897
Pension contributions paid on behalf of the Chief Executive	20,579	19,072
Total emoluments payable to the Chief Executive	101,227	93,969
Total emoluments paid to key management personnel	389,141	342,129

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

	Number	Number
£60,001 to £70,000	-	2
£70,001 to £80,000	3	-
£90,001 to £100,000	-	1
£100,001 to £110,000	1	-

6. EMPLOYEE INFORMATION

	2025 No.	2024 No.
Average monthly number of full time equivalent persons employed during the year	35	34
Average total number of employees employed during the year	40	35
Staff costs were:	£	£
Wages and salaries	1,445,724	1,182,775
National insurance costs	140,792	139,102
Pension costs	300,443	311,110
	1,886,959	1,632,987

During the year, the Association made past service deficit pension payments of £9,543 (2024: £9,265).

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. LOSS ON DISPOSAL OF COMPONENTS

	2025	2024
	£	£
Cost of sales	14,942	5,266
Loss on disposal of components	(14,942)	(5,266)

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2025	2024
	£	£
On bank loans and overdrafts	90,383	107,076
	90,383	107,076

9. (DEFICIT) / SURPLUS FOR THE YEAR

	2025	2024
	£	£
(Deficit) / Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	939,680	858,802
Auditors' remuneration - audit services	12,991	11,700
Auditors' remuneration - other services	-	2,100
Operating lease rentals - land & buildings	145,920	133,211
Operating lease rentals - other	20,236	10,113

10. CORPORATION TAX

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

11. OTHER FINANCE INCOME / (CHARGES)

	2025	2024
	£	£
Net interest on pension obligations	(37,000)	(15,000)

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Shared Ownership Completed £	Other Housing Property category £	Total £
COST					
At 1 April 2024	37,544,425	2,049	-	-	37,546,474
Additions	763,062	-	-	-	763,062
Disposals	(149,863)	-	-	-	(149,863)
Transfers	-	-	-	-	-
At 31 March 2025	38,157,624	2,049	-	-	38,159,673
DEPRECIATION					
At 1 April 2024	14,114,090	-	-	-	14,114,090
Charge for Year	901,065	-	-	-	901,065
Transfers	-	-	-	-	-
Disposals	(134,921)	-	-	-	(134,921)
At 31 March 2025	14,880,234	-	-	-	14,880,234
NET BOOK VALUE					
At 31 March 2025	23,277,390	2,049	-	-	23,279,439
At 31 March 2024	23,430,335	2,049	-	-	23,432,384

	2025		2024	
Expenditure on Existing Properties	Component replacement £	Improvement £	Component replacement £	Improvement £
Amounts capitalised	763,062	-	193,156	-
Amounts charged to the statement of comprehensive income	-	1,596,122	-	1,256,040

All land and housing properties are heritable.

The Association's lenders have standard securities over housing property with a carry value of £8,253,709 (2024 - £8,495,701)

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Furniture & Equipment £	Motor Vehicles £	Computer Equipment £	Total £
COST				
At 1 April 2024	160,711	45,889	61,826	268,426
Additions	11,117	-	14,116	25,233
Eliminated on disposals	(1,379)	-	-	(1,379)
At 31 March 2025	<u>170,449</u>	<u>45,889</u>	<u>75,942</u>	<u>292,280</u>
DEPRECIATION				
At 1 April 2024	76,046	32,248	58,122	166,416
Charge for year	23,390	6,820	8,405	38,615
Eliminated on disposals	(1,379)	-	-	(1,379)
At 31 March 2025	<u>98,057</u>	<u>39,068</u>	<u>66,527</u>	<u>203,652</u>
NET BOOK VALUE				
At 31 March 2025	<u>72,392</u>	<u>6,821</u>	<u>9,415</u>	<u>88,628</u>
At 31 March 2024	<u>84,665</u>	<u>13,641</u>	<u>3,704</u>	<u>102,010</u>

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
NOTES TO THE FINANCIAL STATEMENTS (continued)

13. RECEIVABLES

	2025	2024
	£	£
Gross arrears of rent and service charges	153,290	164,335
Less: Provision for doubtful debts	<u>(63,642)</u>	<u>(105,172)</u>
<i>Net arrears of rent and service charges</i>	89,648	59,163
Other receivables	<u>754,248</u>	<u>1,092,570</u>
	<u>843,896</u>	<u>1,151,733</u>

14. CASH AND CASH EQUIVALENTS

	2025	2024
	£	£
Cash at bank and in hand	<u>6,627,415</u>	<u>6,350,850</u>
	<u>6,627,415</u>	<u>6,350,850</u>

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans	881,491	864,252
Concessionary loans	87,470	187,470
Trade payables	357,887	282,974
Rent received in advance	232,776	194,962
Other taxation and social security	74,626	70,990
Other payables	80,202	83,048
Accruals and deferred income	1,227,219	425,208
	<u>2,941,671</u>	<u>2,108,904</u>

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

	2025	2024
	£	£
Bank loans	1,809,441	2,674,636
Concessionary loans	187,520	274,990
	<u>1,996,961</u>	<u>2,949,626</u>

17. DEBT ANALYSIS - BORROWINGS

	2025	2024
	£	£
Bank Loans		
Amounts due within one year	881,491	864,252
Amounts due in one year or more but less than two years	890,592	881,491
Amounts due in two years or more but less than five years	918,849	1,793,145
	<u>2,690,932</u>	<u>3,538,888</u>

Loans are secured by specific charges on the Association's properties. All of the Association's bank borrowings are repayable on a quarterly basis with the principal being amortised over the term of the loans. Interest is payable at fixed rate of 1.08%, and a variable rate of 4.68% which produce a weighted average of 3.31%.

The concessionary loan from HEEPS is repayable on a monthly basis over a 10 year term and has been offered at nil interest.

The concessionary loan from the Scottish Government is repayable annually over a 5 year term and has been offered at nil interest. This loan was fully repaid during the year.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Association Pension Scheme

Bridgewater 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	4,772,000	5,161,000	5,458,000
Present value of defined benefit obligation	5,470,000	5,909,000	5,763,000
Surplus / (deficit) in plan	(698,000)	(748,000)	(305,000)
Unrecognised surplus	-	-	-
Defined benefit asset / (liability) to be recognised	(698,000)	(748,000)	(305,000)

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. 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	5,909,000	5,763,000
Expenses	10,000	9,000
Interest expense	285,000	276,000
Actuarial losses (gains) due to scheme experience	150,000	127,000
Actuarial losses (gains) due to changes in demographic assumptions	-	(34,000)
Actuarial losses (gains) due to changes in financial assumptions	(680,000)	(16,000)
Benefits paid and expenses	(204,000)	(216,000)
Defined benefit obligation at the end of period	<u>5,470,000</u>	<u>5,909,000</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	5,161,000	5,458,000
Interest income	248,000	261,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(443,000)	(351,000)
Contributions by the employer	10,000	9,000
Benefits paid and expenses	(204,000)	(216,000)
Fair value of plan assets at the end of period	<u>4,772,000</u>	<u>5,161,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£195,000).

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2025 £	2024 £
Expenses	10,000	9,000
Net interest expense	37,000	15,000
	<u>47,000</u>	<u>24,000</u>
Defined benefit costs recognised in statement of comprehensive income	47,000	24,000

Defined benefit costs recognised in the other comprehensive income

	2025 £	2024 £
Experience on plan assets (excluding amounts included in interest income) - gain /(loss)	(443,000)	(351,000)
Experience gains and losses arising on plan liabilities - gain /(loss)	(150,000)	(127,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	-	34,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	680,000	16,000
	<u>87,000</u>	<u>(428,000)</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	87,000	(428,000)
	<u>87,000</u>	<u>(428,000)</u>
Total amount recognised in other comprehensive income - gain (loss)	87,000	(428,000)

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2025	2024	2023
	£	£	£
Absolute Return	-	232,000	74,000
Alternative Risk Premia	-	186,000	32,000
Corporate Bond Fund	-	-	7,000
Credit	203,000	-	-
Credit Relative Value	-	182,000	208,000
Distressed Opportunities	-	190,000	168,000
Emerging Markets Debt	-	90,000	42,000
Global Equity	553,000	594,000	144,000
Infrastructure	1,000	494,000	588,000
Insurance-Linked Securities	18,000	32,000	152,000
Investment Grade Credit	218,000	-	-
Liquid Alternatives	879,000	-	-
Liability Driven Investment	1,344,000	1,867,000	2,312,000
Long Lease Property	2,000	38,000	183,000
Net Current Assets	6,000	6,000	12,000
Over 15 Year Gilts	-	4,000	-
Private Credit	595,000	-	-
Private Debt	-	208,000	244,000
Private Equity	4,000	-	-
Property	236,000	218,000	227,000
Real Assets	570,000	-	-
Risk Sharing	-	310,000	398,000
Secured Income	110,000	172,000	365,000
Opportunistic Illiquid Credit	-	205,000	241,000
High Yield	-	1,000	28,000
Cash	25,000	134,000	23,000
Currency hedging	8,000	(2,000)	10,000
Total assets	<u>4,772,000</u>	<u>5,161,000</u>	<u>5,458,000</u>

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	5.8%	4.9%	4.9%
Inflation (RPI)	3.1%	3.2%	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	<u>24.2</u>

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Non Housing Grants £	Total £
Capital grants received				
At 1 April 2024	9,557,892	-	-	9,557,892
Additions in the year	235,000	-	-	235,000
At 31 March 2025	9,792,892	-	-	9,792,892
Amortisation				
At 1 April 2024	519,153	-	-	519,153
Amortisation in year	246,884	-	-	246,884
At 31 March 2025	766,037	-	-	766,037
Net book value				
At 31 March 2025	9,026,855	-	-	9,026,855
At 31 March 2024	9,038,739	-	-	9,038,739

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

	2025 £	2024 £
Amounts due within one year	250,784	246,884
Amounts due in more than one year	8,776,071	8,791,855
	9,026,855	9,038,739

20. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2025 £	2024 £
At 1 April	49	50
Issued in year	6	2
Cancelled in year	(17)	(3)
At 31 March	38	49

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.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

21. CASH FLOWS

Reconciliation of net cash flow to movement in net funds

	2025	2024
	£	£
Increase / (decrease) in cash	276,565	(8,125)
Cashflow from change in net debt	1,035,426	1,015,711
Movement in net funds/(debt) in the year	1,311,991	1,007,586
Net funds/(debt) at 1 April	2,349,502	1,341,916
Net funds/(debt) at 31 March	3,661,493	2,349,502

	At 01 April 2024	Cashflows	Other Changes	At 31 March 2025
	£	£	£	£
Cash and cash equivalents	6,350,850	276,565	-	6,627,415
	6,350,850	276,565	-	6,627,415
Debt: Due within one year	(1,051,722)	1,035,426	(952,665)	(968,961)
Due after more than one year	(2,949,626)	-	952,665	(1,996,961)
Net funds	2,349,502	1,311,991	-	3,661,493

22. COMMITMENTS UNDER OPERATING LEASES

	2025	2024
	£	£
At the year end, the total minimum lease payments under non-cancellable operating leases were as follows:		
Land and Buildings		
Expiring in the next year	145,920	145,920
Expiring later than one year and not later than five years	583,680	583,680
Expiring later than five years	474,240	620,160
Other		
Expiring in the next year	19,701	19,879
Expiring later than one year and not later than five years	51,206	72,392

23. 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 from 14th August 2023 is Ground Floor West, India of Inchinnan, Greenock Road, Inchinnan, Renfrew, PA4 9LH.

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

24. BOARD MEMBER EMOLUMENTS

Board members received £234 (2024 - £282) in the year by way of reimbursement of expenses. No remuneration is paid to members in respect of their duties to the Association.

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 NOTES TO THE FINANCIAL STATEMENTS (continued)

25. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2025 No.	2024 No.
General needs	707	703
Supported housing	149	149
Managed properties	7	7
	<u>863</u>	<u>859</u>

26. RELATED PARTY TRANSACTIONS

Members of the 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 Board member has a connection with is made at arm's length and is under normal commercial terms.

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

	2025 £	2024 £
Rent received from tenants on the Board and their close family members	<u>25,939</u>	<u>28,532</u>
Factoring charges received from factored owners on the Board and their close family members	<u>304</u>	<u>299</u>

At the year end total rent arrears owed by the tenant members on the Board (and their close family) were £nil (2024 - £nil).

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

Members of the Board who are tenants	5	6
Members of the Board who are owner occupiers	1	1

BRIDGEWATER HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. 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.