Item 4.3

Registered Housing Association No. HCB234
FCA Reference No. 2378R(S)
Scottish Charity No. SC038236

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2026

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2026

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KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS

For the year ended 31 March 2026

MANAGEMENT COMMITTEE

K McLerie	Chairperson/ Treasurer
S McDonald	Vice Chairperson
R Wards	Resigned 26 August 2025
A Martin	
J McDonald	
F Mills	
L Herity	Resigned 17 November 2025
M McKenzie	
S Ritchie	
E Shaw	
J Barclay	
G Toner	Appointed 29 August 2025

EXECUTIVE OFFICER AND COMPANY SECRETARY
D Wilson

REGISTERED OFFICE
KCEDG Commercial Centre
Unit 2/3/6
Ladyloan Place
Glasgow
G15 8LB

EXTERNAL AUDITORS
CT Audit Limited
Chartered Accountants and
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

BANKERS
Bank of Scotland
19 Roman Road
Glasgow
G61 2SP

SOLICITORS
T C Young
7 West George Street
Glasgow
G2 1BA

The Management Committee present their report and the audited financial statements for the year ended 31st March 2026.

Principal activities

The principal activity of the Association as a Registered Social Landlord (RSL) is the provision of good quality homes at affordable rents for people in housing need.

Review of business

As detailed in the financial statements, the Association continues to operate from a strong financial position. Net assets totalled £7.28m, cash reserves were £2.43m and a surplus for the year was achieved of £399k. We have developed our 30-year plan and reviewed our strategic direction through our updated Business Plan. The Association continues to perform well across all key indicators as set in the ARC, and with targets as set by the Management Committee.

Following our governance review, we have developed and established key practices reflective of good practice and the guidance provided by the Scottish Housing Regulator.

Our Management Committee are now established, with new members integrating well. It is reflective in the appraisals that the Committee now feel we have a strong level of expertise across all key areas, and scrutiny is being actively applied.

Rent affordability and the financial challenges faced by our tenants remains an area of keen focus. We continue to look to balancing our key services with ensuring our rents remain affordable, and our success in achieving this can be measured in the positive response to our recent rent consultation. We have good working relationships with our contractors that have allowed us to deliver value for money with a balance between costs and service time and levels.

The Management Committee have reviewed development and explored potential development opportunities as well as the purchasing of stock in the open market. Whilst they feel that there may be an opportunity for limited growth, they also feel that it is important to ensure that we remain in a strong financial position to meet the likely changes in legislation with regard to property standards and the government's ongoing commitments to a more carbon-neutral position.

We continue to invest in our property stock and we have developed good working relations with key contractors, allowing us to plan and deliver on the projects set for the next five years. Of particular focus has bene upgrading the energy efficiency of our properties through the provision of new windows and doors.

Maintenance of policies

The Management Committee continues to review all policies within a three-year schedule. They also carry out reviews where a policy needs to be reviewed earlier due to changes in legislation or best practice within the field. Our Maintenance Policies have been reviewed and updated to reflect our commitment to the health and safety of our tenants, particularly with regard to our focus on tenant safety from damp and mould.

Approach to Risk

The Management Committee continues to review risk quarterly. This approach allows them to keep up to date with changes both internal and external to the sector.

The Management Committee considers that changes to the energy efficiency requirements of properties may be a substantial risk in the future. Whilst this is likely, the full nature and expectations have yet to be agreed and clarified; this may in part be impacted by political changes as we draw closer to the Scottish Parliamentary elections. It is difficult to prepare for such an unknown, however, we have looked to mitigate this through ensuring we have retained adequate savings to prepare for such costs.

Increased costs to parts is perceived as being a likely future risk arising from current geopolitical situations. Whilst these changes will be out with our hands, we have adequately budgeted to be able to be prepared for such financial challenges.

Financially, the organisation is in a strong position. Pension liabilities are likely to remain a risk, and we look to continue to measure and mitigate this through our long-term cash flow projections.

Treasury Management

The Association, as a matter of policy, does not enter into transactions of a speculative nature. The surplus funds of the Association are managed carefully using long-established banks or building societies.

Disabled Employees

The Association remains committed to being an equal opportunity employer. All employees are asked to confidentially disclose to the senior officer of any disability that may impact their employment and the Association look to carry out all reasonable adjustments. Risk assessments are carried out with regard to any new areas of working or where a disability has been identified. Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue.

Reserves

The Association needs to have reserves to ensure the organisation can function into the future and meet its future liabilities, including the major repairs and investment needs of its properties. The revenue reserve reflects primarily the past investment in the housing stock and reserves for future major repairs. The Association has a cash level to support its future plans and operating requirements. The Association reviews its maintenance spending plans regularly and re-assesses them in relation to reserves and cash flows.

Statement of Committee's responsibilities

The Co-operative and Community Benefit Act 2014 require the Management Committee to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those Financial Statements, the Management Committee is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business;
- Prepare a statement on Internal Financial Control.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2014 and the Determination of Accounting Requirements - 2024. They are 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 Management Committee must in determining how amounts are presented within items in the statement of comprehensive income and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

Insofar as the Management Committee are aware:

- there is no relevant audit information (information needed by the Association's auditors in connection with preparing their report) of which the Association's auditors are unaware, and
- The Management Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Statement on Internal Financial Control

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

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

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

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

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

Auditors

The Association has carried out a procurement exercise and appointed CT Audit Limited as auditors. This will be again proposed and considered, in line with our rules, at the Annual General Meeting.

BY ORDER OF THE MANAGEMENT COMMITTEE

[redacted]

D Wilson
Secretary

Date:

REPORT by the AUDITORS to the MEMBERS OF

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED on

CORPORATE GOVERNANCE MATTERS

In addition to our audit of the Financial Statements, we have reviewed your statement on page 5 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion
We carried out our review having regard to the requirements relating to corporate governance matters within Bulletin 2006/5 issued by the Auditing Practices Board. 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 reasons given for non-compliance.

Opinion
In our opinion the Statement on Internal Financial Control on page 5 has provided the disclosures required by the relevant Regulatory Standards within the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

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

[redacted]

CT Audit Limited
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Date: 02/07/2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2026 and of its 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 Benefits Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Management Committee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires 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 financial statements are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Management Committee
As explained more fully in the Statement of Management Committee's Responsibilities as set out on Page 4, the Management Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee either intends to liquidate the Association or to cease operations, or has 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Association operates in and how the Association is complying with the legal and regulatory frameworks;
- inquired of management and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider that the most significant laws and regulations that have a direct impact on the financial statements were, but not limited to, FRS 102, Housing SORP 2018, the Scottish Housing Regulator's Determination of Accounting Requirements 2024, the Co-operative and Community Benefit Societies Act 2014 and the Housing (Scotland Act) 2010. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures against the requirements of the relevant financial reporting standards.

We also performed audit procedures to inquire of management, and those charged with governance whether the Association is in compliance with these laws and regulations, inspected correspondence with regulatory authorities including mandatory submissions to the Regulator, reviewed minutes of meetings of the Management Committee and relevant sub-committees, and reviewed available online information.

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

Use of our report
This report is made solely to the 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.

[redacted]

CT Audit Limited
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Date: 02/07/2026

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

STATEMENT of COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes		2026		2025
		£	£	£	£
Revenue	2		1,700,737		1,622,807
Operating Costs	2		(1,354,203)		(1,353,842)
Operating surplus			346,534		268,965
Interest receivable and other income		56,118		59,141	
Interest Payable and Similar Charges	7	-		-	
Other Finance Charges		(3,000)		(2,000)	
Surplus for the year	8		399,652		326,106
Other comprehensive income					
Actuarial (loss)/gain recognised in the pension liability			(1,000)		7,000
Total comprehensive income for the year			398,652		333,106

All amounts relate to continuing operations.

The financial statements were approved by the Management Committee and authorised for issue and signed on their behalf on ...30/6/26..... by:

[redacted]
Kirsteen McLerie
Chairperson

[redacted]
Sharon McDonald
Vice Chairperson

[redacted]
Dan Wilson
Secretary

The notes on pages 14 to 27 form part of these financial statements

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

STATEMENT of FINANCIAL POSITION

As at 31 March 2026

	Notes	£	2026 £	£	2025 £
Fixed assets					
Housing properties – depreciated cost	10(a)		12,432,248		12,319,540
Other tangible assets	10(b)		-		6,682
			12,432,248		12,326,222
Current assets					
Debtors	11	99,476		64,537	
Cash at bank and in hand		2,426,033		2,321,909	
		2,525,509		2,386,446	
Creditors: amounts falling due within one year	12	(293,292)		(224,935)	
Net current assets			2,232,217		2,161,511
Total assets less current liabilities			14,664,465		14,487,733
Creditors: amounts falling due after more than one year					
Deferred income					
Social Housing grants	14		(7,335,691)		(7,557,614)
Pension scheme liability	13		(50,000)		(50,000)
Net assets			7,278,774		6,880,119
Equity					
Share capital	16		72		69
Revenue reserves			7,278,702		6,880,050
			7,278,774		6,880,119

The financial statements were approved by the Management Committee and authorised for issue and signed on their behalf on ...30/6/26..... by:

[redacted]

Kirsteen McLerie
Chairperson

[redacted]

Sharon McDonald
Vice Chairperson

[redacted]

Dan Wilson
Secretary

The notes on pages 14 to 27 form part of these financial statements.

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

STATEMENT of CASH FLOWS

For the year ended 31 March 2026

	Notes		2026		2025
		£	£	£	£
Net cash inflow from operating activities	15		442,985		431,351
Investing activities					
Acquisition and construction of properties		(394,979)		(305,500)	
Purchase of other fixed assets		-		-	
Interest received		56,118		59,141	
Net cash outflow from investing activities			(338,861)		(246,359)
Financing activities					
Interest paid on loans		-		-	
Loan principal repayments		-		-	
Net cash outflow from financing activities			-		-
Increase in cash			104,124		184,992
Opening cash and cash equivalents			2,321,909		2,136,917
Closing cash and cash equivalents			2,426,033		2,321,909
Cash and cash equivalents as at 31 March					
Cash			2,426,033		2,321,909

Analysis of Changes in Net Debt

	2025	Cash Flows	Non-cash changes Finance Leases	Other Changes	2026
	£	£	£	£	£
Cash and cash equivalents	2,321,909	104,124			2,426,033

The notes on pages 14 to 27 form part of these financial statements.

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED

STATEMENT of CHANGES IN EQUITY

As at 31 March 2026

	Share Capital £	Revenue Reserve £	Total £
Balance as at 31 March 2025	69	6,880,050	6,880,119
Cancellation of shares	(1)	-	(1)
Issue of Shares	4	-	4
Surplus for the year	-	398,652	398,652
Balance as at 31 March 2026	72	7,278,702	7,278,774

	Share Capital £	Revenue Reserve £	Total £
Balance as at 31 March 2024	64	6,546,944	6,547,008
Cancellation of shares	(4)	-	(4)
Issue of Shares	9	-	9
Surplus for the year	-	333,106	333,106
Balance as at 31 March 2025	69	6,880,050	6,880,119

The notes on pages 14 to 27 form part of these financial statements.

1. Principal accounting policies

Statement of Compliance
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.

Basis of Accounting
The Financial Statements have been prepared in accordance with applicable Accounting Standards, the Statement of Recommended Practice - Accounting by Registered Social Landlords 2014, and on the historical cost basis. They also comply with the Determination of Accounting Requirements 2024. A summary of the more important accounting policies is set out below.

Revenue
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 it relates.

Retirement Benefits
The Association participated in the Scottish Housing Association Defined Benefits Pension Scheme and retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

The Association accounts for amounts that it has agreed to pay towards the Scheme deficit in accordance with paragraph 28.11A of FRS 102. The present value of this liability has been recognised in the Statement of Financial Position. The discount rate applied to this obligation is that of a yield rate for a high quality corporate bond.

The expected cost to the Association of pensions is charged to income so as to spread the cost of pensions over the service lives of the employees in the scheme taken as a whole.

The Association has moved from the Defined Benefit scheme to the Scottish Housing Association Defined Contribution Scheme.

Valuation Of Housing Properties
Housing Properties are stated at cost less accumulated depreciation. Housing under construction and Land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 10 Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	Useful Economic Life
Structure	60 years
Central heating boilers	20 years
Radiators and pipework	40 years
Windows	20 years
Bathrooms	35 years
Kitchens	20 years
Rewiring	40 years

1. Principal accounting policies (continued)

Depreciation and Impairment of Other Non-Current Assets
Non-current Assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Asset Category	Depreciation Rate
Furniture and Fittings	10% straight line
Office Equipment	25% straight line

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

Social Housing Grant and Other Grants in Advance/Arrears
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.

Social Housing Grant received in respect of revenue expenditure is credited to the Statement of Comprehensive Income in the same period as the expenditure to which it relates.

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

Sales Of Housing Properties
First tranche Shared Ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the Statement of Recommended Practice, disposals of subsequent tranches are treated as non-current asset disposals with the gain or loss on disposal shown in the Statement of Comprehensive Income.

Disposals of housing property under the Right to Buy scheme are treated as non-current asset disposals and any gain or loss on disposal accounted for in the Statement of Comprehensive Income.

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

Estimation Uncertainty
The preparation of financial statements requires the use of certain accounting estimates. It also requires the Management Committee to exercise judgement in applying the Association's 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:

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.

1. Principal accounting policies (continued)

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.

Capitalisation of Development Overheads
Directly attributable development administration costs relating to development activities are capitalised in accordance with the Statement of Recommended Practice.

Key Judgements made in the application of Accounting Policies

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

b) Pension Liability
The Association received details from the Pension Trust of the valuation of the pension scheme and the Pension Trust's estimate of the Association's future past service deficit contributions. The Association has used this to provide the basis of the pension past service deficit liability in the financial statements. The Management Committee feels this is the best available estimate of the past service liability.

2. Particulars of turnover, operating costs and operating surplus or deficit from affordable letting and other activities

	2026			2025		
	Turnover	Operating Costs	Operating surplus	Turnover	Operating Costs	Operating surplus
	£	£	£	£	£	£
Affordable letting activities (note 3)	1,661,487	1,320,953	340,534	1,600,018	1,280,978	319,040
Other activities (note 4)	39,250	33,250	6,000	22,789	72,864	(50,075)
	1,700,737	1,354,203	346,534	1,622,807	1,353,842	268,965

3. Particulars of income and expenditure from affordable letting activities

	General Needs	Supported accom-modation	Shared Ownership	2026 Total	2025 Total
	£	£	£	£	£
Rent receivable net of service charges	1,333,660	17,469	25,593	1,376,722	1,335,262
Service charges	20,989	53,749	-	74,738	51,785
Gross income from rents and service charges	1,354,649	71,218	25,593	1,451,460	1,387,047
Less voids	(9,470)	(2,426)	-	(11,896)	(8,951)
Net income from rents and service charges	1,345,179	68,792	25,593	1,439,564	1,378,096
Amortised grant	210,993	1,513	9,417	221,923	221,922
Total turnover from affordable letting activities	1,556,172	70,305	35,010	1,661,487	1,600,018
Management and maintenance administration costs	566,842	7,477	10,954	585,273	563,470
Service costs	20,989	53,749		74,738	51,785
Planned & cyclical maintenance including major repairs	149,748	-	-	149,748	164,535
Reactive maintenance costs	185,472	-	-	185,472	193,837
Bad debts – rents and service charges	(3,536)	-	-	(3,536)	(2,156)
Depreciation of affordable let properties	312,694	2,100	14,464	329,258	309,507
Operating costs for affordable letting activities	1,232,209	63,326	25,418	1,320,953	1,280,978
Operating surplus for affordable letting activities	323,963	6,979	9,592	340,534	319,040
Operating surplus for affordable letting activities for 2025	300,710	9,134	9,196	319,040	

For the year ended 31 March 2026

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	Operating costs - bad debts	Operating Operating costs - other	Operating surplus/ (deficit) 2026	surplus (deficit) 2025
	£	£	£	£	£	£	£	£	£
Stage 3 adaptations	37,351	-	-	-	37,351	-	20,120	17,231	(34,274)
Factoring	-	-	-	330	330	-	330	-	-
Wider Role	-	1,569	-	-	1,569	-	12,317	(10,748)	(11,760)
Chargeable Costs	-	-	-	-	-	483	483	(483)	(4,041)
Total from other activities	37,351	1,569	-	330	39,250	483	33,250	6,000	(50,075)
Total from other activities for 2025	17,966	4,493	-	330	22,789	4,041	72,864	(50,075)	

5. Officers' emoluments

The officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers, and employees of the Association. Key management personnel is considered to be the Management Committee and the Executive Officer.

	2026	2025
	£	£
Emoluments payable to Executive Officer (including pension contributions)	77,189	78,537
Emoluments payable to Executive Officer (excluding pension contributions)	70,190	73,671
Total number of key management personnel with emoluments between £60,000 to £70,000	1	1

6. Employee information

	2026	2025
	No.	No.
Average monthly number of full time equivalent persons employed during the year	7	6
Average total number of employees employed during the year	7	6
Staff costs	£	£
Wages and salaries	281,896	250,407
Social Security costs	17,925	21,495
Other pension costs	20,051	15,257
	319,873	287,159

7. Interest payable and similar charges

	2026	2025
	£	£
Bank loans and overdrafts	-	-

8. Surplus for the year

	2026	2025
	£	£
Surplus for the year is stated after charging/ (crediting):		
Depreciation – tangible owned fixed assets	335,940	317,981
Auditors' remuneration – audit services	12,840	12,240
Operating lease	22,296	14,253

9. Tax on surplus on ordinary activities

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

10. Fixed assets

(a) Housing properties

	Housing Property Held for Letting £	Shared Ownership Held for Letting £	Total £
Cost			
As at 1 April 2025	20,699,100	853,003	21,552,103
Additions	441,966	-	441,966
Disposals	(91,378)	-	(91,378)
As at 31 March 2026	21,049,688	853,003	21,902,691
Depreciation			
As at 1 April 2025	8,972,583	259,980	9,232,563
Charge for Year	314,794	14,464	329,258
Disposals	(91,378)	-	(91,378)
As at 31 March 2026	9,195,999	274,444	9,470,443
Net Book Value			
As at 31 March 2026	11,853,689	578,559	12,432,248
As at 31 March 2025	11,726,517	593,023	12,319,540

The amounts capitalised can be further split between component replacement of £441,966 (2025: £305,500) and improvement of £Nil (2025 - £Nil).

10. Fixed assets

(b) Other tangible assets

	Office equipment £	Furniture and fittings £	Total £
Cost			
As at 1 April 2025	32,479	61,664	94,143
Additions	-	-	-
Eliminated on disposals	(10,472)	(14,673)	(25,145)
As at 31 March 2026	22,007	46,991	68,998
Aggregate depreciation			
As at 1 April 2025	32,479	54,982	87,461
Charge for year	-	6,682	6,682
Eliminated on disposals	(10,472)	(14,673)	(25,145)
As at 31 March 2026	22,007	46,991	68,998
Net book value			
As at 31 March 2026	-	-	-
As at 31 March 2025	-	6,682	6,682

11. Trade and other receivables

	2026 £	2025 £
Arrears of rent and service charges	22,122	33,142
Less: Provision for doubtful debts	(4,326)	(9,741)
	17,796	23,401
Other receivables	81,680	41,136
	99,476	64,537

12. Creditors: amounts falling due within one year

	2026 £	2025 £
Trade payables	141,911	64,273
Rent received in advance	25,116	21,753
Other payables	42,677	32,776
Accruals and deferred income	83,588	106,133
	293,292	224,935

13. Creditors: amounts falling due after more than one year

	2026 £	2025 £
Liability for past service contributions	50,000	50,000
	50,000	50,000

14. Deferred income

	£
Social housing grants	
As at 1 April 2025	7,557,614
As at 31 March 2026	7,557,614
Amortisation	
Amortisation in year	(221,923)
Disposals	-
As at 31 March 2026	7,335,691
Net book value	
As at 31 March 2026	7,335,691
As at 31 March 2025	7,557,614

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

	2026 £	2025 £
Amounts due within one year	221,923	221,921
Amounts due in one year or more	7,113,768	7,335,693
	7,335,691	7,557,614

15. Statement of cash flows

	2026	2025
	£	£
Surplus	342,534	268,965
Depreciation	335,940	317,981
Amortisation of capital grants	(221,923)	(221,921)
Change in debtors	34,936	(48,694)
Change in creditors	(48,505)	115,017
Unwinding of discount on pension liability	-	-
Share capital written off	(1)	(4)
Issue of Share capital	4	9
Net cash inflow from operating activities	442,985	431,351

16. Share capital

	2026	2025
	£	£
Shares of £1 each issued and fully paid		
As at 1 April 2025	69	64
Issued in year	4	9
Cancelled in year	(1)	(4)
At 31 March 2026	72	69

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.

17. Housing stock

	2026	2025
	No.	No.
The number of units of accommodation in management at the year end was:		
General needs – new build	254	254
General needs – rehabilitation	27	27
Shared ownership	11	11
	292	292

18. Leasing commitments

At the year end, the total future minimum lease payments under non cancellable operating leases were as follows:

	2026	2025
	£	£
Within one year	22,829	518
Between two and five years	68,487	1,554
	91,316	2,072

19. Related party transactions

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

Those members who are tenants of the Association have tenancies that are on the Association's normal tenancy terms and they cannot use their position to their advantage.

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

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

	2026 £	2025 £
Rent received from tenants on the Management Committee and their close family Members	35,724	36,520

At the year end total rent arrears owed by the Management Committee (and their close family) were £102 (2025: £Nil). The rent received from the shared owner during the year was £2,430 (2025: £2,352).

	2026 No.	2025 No.
Members of the Management Committee who are tenants	8	6
Members of the Management Committee who are owner occupiers	1	1

Mr. John Barclay is on the Board of Kingsridge Cleddans Economic Development Group (KCEDG). During the year the Association paid rent totaling £23,581 (2025: £22,315) to that organisation.

20. 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 KCEDG Commercial Centre, Unit 2/3/6, and Ladyloan Place, Glasgow,G15 8LB.

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

21. Management Committee Member emoluments

Management Committee members received £160 (2025: £8) in the year by way of reimbursement of expenses. No remuneration is paid to Management Committee members in respect of their duties to the Association.

22. Retirement benefit obligations

General
Kingsridge Cleddans Housing Association Limited participated 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 pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5m. A Recovery Plan has been put in place to eliminate this deficit, which will run from 1 April 2026 for a period of at least four years to 31 March 2030. This may be extended to 31 March 2032 if the judgement in the court case referenced below results in additional Scheme liabilities. This position will be reviewed at the 2027 valuation.

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

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2025. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2026 to 28 February 2027 inclusive.

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

	2026 £'000s	**2025** £'000s
Fair value of plan assets	333	327
Present value of defined benefit obligation	(383)	(377)
Defined benefit liability to be recognised	(50)	(50)

22. Retirement benefit obligations

Reconciliation of opening and closing balances of the defined benefit obligation

	2026 £'000s
Defined benefit obligation at start of period	377
Current service cost	2
Expenses	1
Interest expense	21
Member contributions	6
Actuarial losses due to scheme experience	(5)
Actuarial losses due to demographic assumptions	3
Actuarial gains due to changes in financial assumptions	(7)
Benefits paid and expenses	(15)
Defined benefit obligation at end of period	383

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

	2026 £'000s
Fair value of plan assets at start of period	327
Interest income	18
Experience on plan assets (excluding amounts included in interest income) - loss	(10)
Contributions by the employer	7
Member contributions	6
Benefits paid and expenses	(15)
Fair value of plan assets at end of period	333

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2026 was £8,000.

Defined benefit costs recognised in statement of comprehensive income

	2026 £'000s
Expenses	1
Current service cost	2
Net interest expense	3
Defined benefit costs recognised in statement of comprehensive income	6

Defined benefit costs recognised in other comprehensive income

	2026 £'000s
Experience on plan assets (excluding amounts included in net interest cost) - loss	(10)
Experience gains and losses arising on the plan liabilities – gain	5
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – loss	(3)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	7
Total amount recognised in other comprehensive income - loss	(1)

22. Retirement benefit obligations

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

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

Full judgement in the Verity Trustees v Wood court case is still awaited. Should the Court decide that historic benefit changes need to be applied differently, then some member benefits would need to be increased, which would increase the value placed on Scheme liabilities. No allowance has been made for potential additional liabilities within the estimate made, although this will be addressed if required by the potential extension of the Recovery Plan referenced above.

23. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £61,388 (2025: £24,622). Amounts authorised by the Committee of Management but not contracted for amounted to £Nil (2025: £Nil).