



Report and Financial Statement

For the year ended 31 March 2024

River Clyde Homes:

Company Number: SC329031

Charity Number: SC038584

Property Factor Registration Number: PF000152
Scottish Housing Regulator Registered Number: 362



River Clyde Homes and Subsidiary Report and Financial Statements For the year ended 31 March 2024



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Registration Particulars:

Register of Companies

Companies Act 2006

Registered Number: SC329031

Registered Number (subsidiary): SC328870

Principal Office and Registered Address:

Clydeview, 22 Pottery Street, Greenock PA15 2UZ

River Clyde Homes and Subsidiary

Management Committee, Executives and Advisers for the year ended 31 March 2024

Management Committee

The strategic leadership of River Clyde Homes (“the Company”) is provided by a Board which is supported by a Chief Executive and three Directors (together, The Executive Management Team). The full list of Board members during the year ended 31 March 2024 is as follows:

Name	Date of Appointment / Resignation
John Quinn (Chair)	24 September 2020
Gillian McLees (Vice Chair)	24 September 2020
Stephen Black	20 September 2022
Ellis Barilli (Tenant)	28 September 2021
Vera Karaba (Tenant)	26 September 2023
Heike Noak (Tenant)	28 September 2021
Elizabeth Taylor	31 March 2023
Cllr Graeme Brooks	26 May 2022
Cllr Christopher Curley	6 March 2018
Tom Ferrier	26 September 2017
Jillian Moffat (Chair)	16 September 2014 / 10 January 2024
Charles Thompson	27 November 2020
Robert Speir	2 February 2021 / 26 March 2024

The composition of the Board reflects the requirements of the Housing Amendment (Scotland) Act 2018.

All tenancies for the above tenant members of the River Clyde Homes’ Board are on Scottish Secure Tenancy Agreements in terms of the Housing (Scotland) Act 2010 and these members cannot use their position on the Board to their advantage. Any transactions with Inverclyde Council are made at arm’s length, on normal commercial terms, and the Board members who are also councillors cannot use their position on the Board to their or the Council’s advantage.

The Company is limited by guarantee and does not have any share capital. The liability of Board members is limited to £1 each. The executive officers of the Company hold no interest in the Company’s share capital and although not having the legal status of “Director” they act as executives within the authority delegated by the Board. It is the responsibility of the Board to approve the vision, business plan and priorities of the Company. They also monitor the operational activities of the Company. The Board is accountable to the wider membership and as at 31 March 2024, River Clyde Homes had 47 members. The Chair of the Board is a paid role.

River Clyde Homes and Subsidiary

Management Committee, Executives and Advisers for the year ended 31 March 2024

Executives

The executive officers of the Company during the year to 31 March 2024 were as follows:

Position	Name
Chief Executive	Richard Turnock
Director, Group Services	Thomas Greenan
Director, Customer Services	Stevie McLachlan
Director, Property Services	Kevin Smith
Managing Director, Home Fix Scotland	Derek Ferguson

The executive officers are responsible for achieving the vision, strategic outcomes, priorities and plans of the Board confirmed in its business plan; they also ensure high standards of professionalism, performance and ambition in their work.

The Board of Home Fix Scotland Limited (“HFS”), a wholly owned subsidiary of River Clyde Homes, consists of seven members. The full list of Board members during the period to 31 March 2024 is as follows:

Position	Name	Date of Appointment / Resignation
Director/Chair	Liz Taylor	8 December 2020
Director	Jillian Moffat	17 November 2017 / 10 January 2024
Director	John Quinn	29 September 2023
Director	Paul McDevitt	10 March 2019
Director	Lili Peters	24 October 2022
Director	Malcolm MacLeod	24 October 2022
Director	Derek Ferguson	8 December 2020
Director	John Wright	17 February 2021 / 29 September 2023
Director	Thomas Greenan	6 February 2024

The River Clyde Homes Board oversees the activities of Home Fix Scotland Limited within the Group Business Plan.

Advisers

The key advisers of the Company during the year ended 31 March 2024 were as follows:

Bankers

Royal Bank of Scotland
110 Queen Street
Glasgow G1 3BX

Nationwide Building Society
Kings Park Road
Northampton NN3 6NW

Solicitors

Brodies LLP
110 Queen Street
Glasgow G1 3BX

Auditors

Armstrong Watson Audit Ltd
24 Blythswood Square
Glasgow G2 4BG

River Clyde Homes and Subsidiary

Report of the Management Committee for the year ended 31 March 2024

Introduction

The Board presents its Annual Report together with the audited financial statements for the year ended 31 March 2024. This report incorporates the financial statements of the Company's wholly owned subsidiary, HFS.

Principal Activities

The principal activity of the Company is the provision of social housing throughout Inverclyde. Employing over 250 staff, the business owns and manages 6,140 homes and provides factoring services to a further 2,157 homes. The principal activity of HFS is to carry out certain works and services on behalf of the Company. In addition to utilising the services of certain trade staff seconded from RCH, HFS employ a specialist team of 114 staff (including 68 trade operatives) to deliver works.

Vision and Values

The Company has established a clear value base, identity and purpose to ensure that the wider community, staff and other stakeholders are aware of what the business stands for.

Our purpose and values: Improving Lives and Places



Every
Customer Happy

Every
Home Loved

Every
Opportunity Taken

Every
Penny Counts

Every
Person Positive

Financial Highlights

Statement of Comprehensive Income

Group Turnover of £32.2 million (2023: £31.2 million) relates mainly to the income from the letting of properties which accounts for £31.1 million (2023: £30.0 million) of this total. The balance of income of £1.1 million (2023: £1.2 million) relates to support activities, Homefact and Cycle Scotland fund.

Total Operating Expenditure was £28.3 million (2023: £28.3 million), consisting of:

- Management and maintenance admin costs £12.0 million (2023: £12.7 million)
- Planned and cyclical maintenance £2.4 million (2023: £2.4 million) (major repairs expenditure capitalised is detailed in note 3 on page 41)
- Reactive maintenance costs £3.9 million (2023: £3.6 million)
- Other costs £8.7 million (2023: £8.1 million)

The operating surplus for the year ended 31 March 2024 was £3.9 million (2023: £2.8 million) and the deficit on ordinary activities before actuarial adjustments on pension scheme was £3.4 million (2023: £2.9 million).

Statement of Financial Position

Total net assets for the group at the year-end amounted to £10.4 million (2023: £15.9 million). The key asset categories include:

- Housing property £245.0 million (2023: £241.2 million)
- Rent debtors (gross) £1.9 million (2023: £2.0 million)
- Cash deposits £0.9 million (2023: £2.9 million)

The housing stock was transferred to the Company at nil value. As our major improvement has progressed and our new build programme has concluded, the net book value of the housing properties held for letting or construction has stabilised at £245.0 million (2023: £241.2 million). Offsetting the rental debtor of £1.9 million (2023: £2.0 million) is a bad debt provision of £1.5 million (2023: £1.4 million). This provision relates to current and former arrears.

The key liabilities include:

- Total deferred grant £101.4 million (2023: £100.4 million)
- Total loans £131.3 million (2023: £124.6 million)

The deferred grant relates to Scottish Government grants in respect of SHQS works, New Build projects and Aids and Adaptations development. £1.6 million (2023: £1.6 million) of the deferred grant is due within one year; the balance of £99.8 million (2023: £98.9 million) is due after more than one year.

Statement of Cash Flows

The net cash inflow from operating activities was £7.0 million (2023: £7.5 million). A further £1.0 million net inflow (2023: £2.4 million) was generated from financing activities. Net cash outflow from investing activities totalled £9.9 million (2023: £8.7 million).

Financing and Treasury Management

The housing properties are financed principally by a combination of housing association grant, bank borrowings and cash generated from trading surpluses. Bank borrowing facilities comprise a mixture of fixed rate and short term floating rate loans.

The Company, as a matter of policy, does not enter into transactions of a speculative nature.

To support the delivery of the five-year business plan 'Our Journey to 2027', the Company has a total loan facility of £155 million. The funding package comprises £117 million from Royal Bank of Scotland and £38 million from Nationwide Building Society. This fund will be used to raise living standards in the affordable housing market, with a focus on the sustainability and energy efficiency of existing properties, in support of the Scottish journey to net zero and in recognition of the current rising cost of living. Our Treasury strategy is aided by ALLIA C&C, who act as our Treasury Advisers.

As at 31st March 2024 the Company had drawn down £130.8 million of loans. This comprised of £79.3 million of borrowing at a fixed interest rate and £51.5 million at a SONIA interest rate.

The Company has a regime in place whereby sufficient cash is held to meet its immediate obligations. During the financial year, this approach minimised the additional borrowing required. The amount of additional borrowing which was drawn down from the agreed facility was utilised to ensure progress on the investment programme.

Risk Management

Management adopts a robust risk management approach which identifies and records the risks facing the Company and the action plan by which risks are managed. The Top Five Strategic Risks facing the Company are shown in the table below. The Board/Committee have approved action plans to mitigate these risks:

Risk Description	Key Mitigation
<p>Failure to effectively manage our assets</p>	<ul style="list-style-type: none"> • New comprehensive approach to profiling of our stock to meet future investment needs. • Stock data systems including integrated specialist energy performance system • Maximise compliance and funding opportunities. • Introduction of new management team to ensure appropriate understanding of Asset Management to meet the current and future needs of the group with particular focus of investment into future energy standards. • Review of existing staff to ensure appropriate skillset will be considered to deliver on key strategic projects moving forward • Strategic review of the land and assets owned by RCH to consider the use and value of the assets to the group. • Significant strategic partnership work to ensure we are well position to understand future compliance requirements and ensure access funding is maximised to de-risk investment • Improved governance and oversight of key activities and performance through ELT and Social Landlord Operations Committee. • Examination of opportunities arising from achieving Net Zero to enhance letting and reduce ongoing costs • Implementation of IoT systems to monitor investment spend, stock condition and health and wellbeing of customers including the conditions which allow dampness and mould. • Improved Scottish Government, Regulator & Inverclyde Council relationship management. • Supplement development programme capacity, including the effective use of external consultants. • Purchase of GIS mapping solution
<p>Failure to deliver competitive housing proposition</p>	<ul style="list-style-type: none"> • Business Planning activity will include ongoing assessment of customer need and demand for housing in Inverclyde. • Rent affordability is assessed annually in line with Rent & Service Charge Policy, using SFHA Rent Affordability Tool. • Regularly monitor product offerings for relevance and adequacy while taking account of demographics and competitor propositions • Major Intervention Area action plans in place • Void incentives, other letting initiatives in place and management process streamlined, improving efficiency and reducing days to let. • Demographic changes and changing customer needs are monitored to identify appropriate stock mix (number of bedrooms, accessibility, adaptations, etc.) • Attendance and proactive involvement on Inverclyde Council's Depopulation Working Group • Attendance and proactive involvement on Inverclyde Council's Asylum, Ukraine, Refugee Operational Group • Partnership working with Inverclyde Council's HSCP on the modernisation of the homeless service and exploring supported accommodation model.

Risk Description	Key Mitigation
Failure to deliver competitive housing proposition (continued)	<ul style="list-style-type: none"> Partnership working with the Scottish Refugee Council and operating a nomination agreement to encourage New Scots to move to Inverclyde Ongoing customer feedback (e.g. Customer senate, surveys etc.) Ongoing Service Reviews reshaping services to meet current and future demand i.e. Older Person, Caretaking and Estate Caretaking Services.
Failure to deliver VFM efficiencies and ensure financial viability	<ul style="list-style-type: none"> Refreshed VFM Strategy approved by Board. VFM Strategy given Substantial assurance by Internal Auditor VFM Project Board leading on delivery of strategy. VFM targets incorporated into Financial Plan and budgets Delivery of efficiencies monitored by Audit & Risk Committee together with RCH Board VFM Workshops to be arranged, informing Business and Development Plans Actively monitor operating costs going forward to understand forces driving up prices (including the known disruption to the supply chain, the backlog due to the Covid 19 pandemic and rising energy and materials costs) Enhanced Procurement strategy will help minimise cost inflation External VFM audit completed within HFS Positive sector benchmarking via annual Housemark report
Failure to adequately manage the transition to an effective Group Operating Model (Our Approach)	<ul style="list-style-type: none"> Board approved as a Key Corporate Initiative Included in Corporate Plan 2023/24 (Redefine and embed Our Approach) Regular SLT review of corporate initiatives. Board updated on the progress at Strategy Event Mandatory training to be completed by all staff
Ineffective control of subsidiary governance, development and growth	<ul style="list-style-type: none"> Pace and scale of growth and development governed by RCH Board Development of a governance plan for HFS, incorporating appropriate consideration of the development of an appropriate business assurance framework Separate HFS Board in place, plan to evolve to standalone HFS governance (distinct financial and operational/service committees as appropriate) Recruitment of suitably skilled management and staff

Employees with disabilities

Applications for employment by people with disabilities 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 retain them in order that their employment with RCH Group may continue. RCH Group policy is that training, career development, promotion opportunities should be available to all employees.

Employee Information

The Company engage with all employees through regular Directorate meetings allowing the Directors and/or CEO to discuss matters of importance and relevance. The Joint Consultation Forum ensures external parties (Trade Unions) are involved in discussions allowing employee interests and concerns to be considered.

Investment in our Young People

The Company are delighted to hold the Platinum Investors in Young People good practice award, being one of only a few organisations in Scotland to hold this coveted title. RCH took part in a rigorous assessment, which saw over 20 young people and their line managers from across the organisation, be interviewed about their pathways and their experiences within RCH. It was observed that RCH had a continuous commitment to attracting, supporting, recruiting, developing, and retaining young people. As a platinum employer, RCH was noted for its strong engagement with education and youth employment providers, leading to measurable improvements learning and employment opportunities for young people.



The Company recruited to 7 apprenticeship opportunities in 2024 with multiple apprentices gaining employment within RCH Group. As part of Scottish Apprenticeship Week, RCH Group participated in the “Open Doors Event” where we launched a further 6 apprenticeship opportunities and opened our doors to the young people of Inverclyde and our partner agencies.

Credit Payment Policy

The Company’s policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is 28 days.

Business Engagement

The Directors recognise the need to foster business relationships with suppliers and customer alike to provide benefits to local communities, this is driven by RCH Group’s engagement with Inverclyde Council and other strategic parties in Inverclyde.

Planning for the future

The assumptions underpinning all business plans (including the five-year plan, thirty-year business plan and financial plan) are reviewed and validated on an annual basis. All financial plans are subject to appropriate stress testing and sensitivity analysis. The financial projections confirm that there are adequate financial resources available to deliver the objectives of the business plan.

One core assumption includes the spending requirement associated with the Asset Management Strategy.

The funding package approved with our lenders enables the delivery of the following: -

- Investment and capital spend will be £58 million over the next five years, with approximately £100 million spend over the next decade.
- An investment programme that will seek to meet the requirements of the Energy Efficiency Standard for Social Housing (EESH).
- A full component replacement programme to maintain Scottish Housing Quality Standards (SHQS).
- 10% of our stock achieving Net Zero compliance by 2026

OPERATING REVIEW

CUSTOMER SERVICES

Key achievements in 2023-24

- Customer Services Excellence Accreditation retained with 7 elements gaining compliance plus.
- Secured over £1.2 million of Scottish Government Grant funding to bring 44 long term empty properties back into letting pool as part of the UKLTRF scheme.
- Received £0.3 million of Scottish Government Grant funding for aids & adaptations to properties, with 226 adaptations completed.
- Over £0.1 million external funding secured for supporting RCH customers during the continual cost of living crisis.
- £2.3 million financial gain/benefits for RCH tenants via our Financial Well Being Team.

Performance highlights

Key Performance Indicators

KPIs are formally reviewed quarterly by the Social Landlord and Operations Committee and included in the Annual Return on the Charter (ARC) to the Scottish Housing Regulator (SHR) and Customers.

Selected Performance Measures	2023/24	2022/23
Average length of time taken to re-let properties (days)	263	201
Rent lost due to properties becoming vacant (ARC)	6.1%	4.8%
Rent collected as a proportion of rent due	99.8%	97.8%
Gross rent arrears as a % of rent due	5.7%	5.5%
ASB cases resolved within target	95%	96%
Stage 1 complaints responded to in full	98%	99%
Stage 2 complaints responded to in full	94%	83%

Voids

There has been an increase in the average length of time to relet properties and the rent lost due to properties becoming vacant. The reasons for this include lead in times for certain materials, performance of subcontractors and resources. In addition, in terms of the average length of time taken to relet properties, this is impacted by bringing long term empty properties back into the letting pool. During the financial year, a total of 30 Out of Management properties were returned to the letting pool and 13 of these properties were let as part of the UKLTRF scheme.

Voids continue to be a priority for the Company, to increase the return rate of void properties and improve the turnaround period for voids. Several priority actions as part of a joint void action plan with our subsidiary HFS have been put in place including the appointment of another contractor in March '24 to support delivery. The focus will continue into next financial year.

Rent Arrears and Supporting Tenants

The preventative and early intervention to manage rent arrears recovery has resulted in the rent arrears KPI being achieved. The partnership working between the Area Housing Teams and the Financial Well Being Team is working very well with referrals continually being made for benefit advice, income maximisation and budgeting. In addition, grant funding was obtained for an outreach Financial Wellbeing Officer, this role has had focus on vulnerable and hard to reach customers. This approach has resulted in over £0.4 million financial gain and around 200 customers have been supported.

Anti-social behavior (ASB)

Performance in investigating and resolving ASB has exceeded the target for 2023/24 despite the number of serious cases being reported. Our strong partnership working with several key agencies including Police Scotland, the Scottish Fire & Rescue Service and Inverclyde Council and the sharing of intelligence has contributed to excellent performance result.

We provided £0.1 million funding to coordinate patrols in targeted areas and we have undertaken the following measures which have contributed to the year-end performance:

- Upgrade to ASB case processing, allowing more flexibility when dealing with more serious cases.
- Partnership working with Inverclyde Council HSCP to tackle ASB and prevent homelessness and
- Training for housing staff

Complaints

The performance in complaints has seen significant improvements in 2023/24. Complaints have been a key focus area for the Company over the past year, monthly reporting alongside the launch of weekly Complaints Clinics have ensured the focus was not lost.

This will remain throughout 2024/25 as we move towards using the insight from complaints to help reduce the volume of complaints we receive and improving response to reduce escalations from stage 1 to stage 2.

PROPERTY SERVICES

Key achievements in 2023-24

- Launched the deep retrofit pilot project at Huntly Drive, providing a unit cost analysis which will determine the scale at which RCH can roll-out PAS 2035 social housing retrofit across the RCH stock.
- Progressed with the external wall and window Installation project at Prospecthill Court and seen the full draw-down of the £1.65 million Scottish Government funding for the project.
- Energy Strategy completed and will support the ongoing Asset Management strategy.

Performance highlights

Key Performance Indicators

KPIs are formally reviewed quarterly by the Social Landlord and Operations Committee and included in the Annual Return on the Charter (ARC) to the Scottish Housing Regulator (SHR) and Customers.

Selected Performance Measures	2023/24	2022/23
Average hours to complete emergency repairs	4.11	3.1
Average length of time to complete non-emergency repairs	22.14	10.3
Percentage reactive repairs completed right first time	87.0%	86.7%
Percentage of tenants satisfied with repairs	92.2%	92.2%
Number of times in the reporting year we did not meet our statutory duty to complete a gas safety check	2	0



Energy Consumption and Efficiency Reporting

RCH consumes electricity, gas and transport equivalents for its own offices use and in the provision of energy to Tenants. Consumption figures have been computed from utility bills provided by providers. Intensity ratios of usage per property provided and usage per square foot of office were deemed appropriate based on the Company's activities. The effects of transport consumption were deemed negligible and therefore have not been reported. The energy consumption in kWh and carbon footprint in kgCO₂e for the year ending 31 March 2024 is disclosed as follows:

The energy consumption in kWh and carbon footprint in kgCO₂e for the year ending 31 March 2024

Energy	kWh	kgCO ₂ e	Per Property	Per Office sq ft
Office (Electricity)	512,028	152,633	-	31
Tenants (Electricity)	2,084,149	403,033	504	-
Total (Electricity)	2,596,177	555,666	-	-
Office (Gas)	836,164	99,016	-	51
Tenants (Gas)	3,942,021	719,577	14,129	-
Total (Gas)	4,778,185	818,593	-	-

The energy consumption in kWh and carbon footprint in kgCO₂e for the year ending 31 March 2023

Energy	kWh	kgCO ₂ e	Per Property	Per Office sq ft
Office (Electricity)	559,513	118,801	-	42
Tenants (Electricity)	1,475,815	313,360	357	-
Total (Electricity)	2,035,328	432,161	-	-
Office (Gas)	459,532	84,168	-	32
Tenants (Gas)	3,089,783	565,925	11,074	-
Total (Gas)	3,549,315	650,093	-	-

Carbon Emissions and Energy Consumption

RCH has outlined its intentions to reduce carbon emissions and contribute to tackling fuel poverty through the creation of an Energy Strategy which will soon be presented to our Board.

This work considers the scale of the challenge and the tools to achieve our objectives whilst retaining a focus on a just transition and support the Asset Management review presently being undertaken. Our purpose remains to help reduce energy consumption, fuel poverty and the emission of greenhouse gases. It will contribute to reducing the countries' carbon emissions by 80% by 2050, in line with the requirements set out in the Climate Change (Scotland) Act 2009. For the reporting year, the Company have been able to achieve 83.80% stock EESSH compliance however we go beyond this basic measure of performance. In design we go beyond operational carbon to consider whole life carbon and other key measures like air quality and asset management principles to consider whole life costing.

We are in the process of sampling some of these designs to understand the real impact on tenants of living with aspects of the designs such as maintaining air tightness and mechanical ventilation as a realistic ambition when it requires slightly different tenant behaviours, as well as understanding real costs and challenges in delivery for homes meeting differing higher standards. We have focused on a retrofit of a quarter villa at Huntly Drive which will give both tenants feedback and data on energy performance from passive monitoring using IoT.

The purpose of much of this work is to ensure that our investment programmes meet the highest scalable standards for our customers and maximise access to grant funding. The works designed for Prospecthill Court which largely delivered in 2023/24 show a reduction in operation carbon from over 300 tonnes to 5 tonnes per annum and this equates to reduced energy costs for each property estimated to be below £500 a year. This project is both a significant upgrade on the lifecycle and longevity of the block but also attracted £1.65 million in Scottish Government Grant.

For most of its electrical supply, RCH uses the Scottish Government National Framework Contract for the supply of electricity. This framework has a Risk Management Committee consisting of experts from energy management, finance, and procurement functions from across the Scottish public sector. They ensure the organisation's achieve Sustainability, Community, and socio-economic benefits.

HOME FIX SCOTLAND (HFS)

The HFS repairs and maintenance service is focused on improving front line services to our customers, whilst at the same time continuing to improve its productivity performance and efficiency. The development of HFS, which undertakes certain works and services on behalf of RCH has continued throughout the last financial year.

The high volume of customer emergency jobs continues to impact capability to deliver planned non-emergency works for our customers. The diversity of external repair works with high values has an impact on resource levels reducing operational capability. HFS are working with RCH to balance out the proportion of planned works and major works over the coming year. This should support an improvement in capability to deliver repairs and maintenance.

Our planned works programme was very limited over the last year. HFS have been delivering new loft insulation to RCH homes. The environmental team were able to start and progress their summer programme, completing all works in time to plan and execute on the winter programme. Complaints in this area reduced significantly with positive feedback from RCH on performance. HFS electrical compliance have delivered all EICR within the last 12 month period on time improving safety in customer homes.

During the year there has been a focus on void property returns, quality and cost. HFS have a new structure in place with 3 Area Managers to focus on the void properties within their own areas to maximise delivery and quality.



Going Concern

The Management Committee has reviewed the results for this year and has reviewed the financial projections for the next five years. A number of sensitivities have been performed to test the base assumptions in the five-year plan. These show that even in a severe but plausible trading position the Company's cash position remains positive and within the covenants agreed with lenders. On this basis, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements.

Statement by the Directors in performance of their statutory duties in accordance with section 172 of the Companies Act 2006

The Directors acknowledge and understand their duties and responsibilities, including that of section 172, of the Companies Act 2006. A Director of a Company must act in the way he or she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:


- the likely consequences of any decision in the long term,
- the interest of the Company's employees,
- the need to foster the Company's business relationships with suppliers, customers and others,
- the impact of the Company's operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Company.

The Board recognises that the long-term success of the business is dependent on the way we interact with a large number of important stakeholders including our Colleagues, Clients and Members. The Directors have had regard to the interest of our stakeholders while complying with their obligations to promote the ongoing success of the business in line with the section 172 of the Companies Act. This is evidenced throughout our strategic report, through our engagement with our tenants, staff, Scottish Housing Regulator, Inverclyde Council, Scottish Government, Bankers.

Ahead of all Board meetings the Directors are supplied with Board papers that highlight relevant stakeholder considerations along with performance metrics and ongoing forecasts. The Board's decision making considers both risk and reward in the pursuit of delivering long term value to our stakeholders and acknowledging and understanding the current and potential risks to the business, both financial and non-financial, are fundamental to how we manage the business.

The Directors, both individually and collectively as a Board consider the decisions taken during the year ended 31st March 2024 were in conformance to their duty under section 172 of the Companies Act.

Signed on behalf of the Board:



JOHN QUINN

on: 20 August 2024

Information for auditors

As far as the Board members are aware at the date of approval of these financial statements there is no relevant audit information of which the auditors are unaware and the Board members have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of any such information.

Auditors

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Signed on behalf of the Board:



JOHN QUINN

on: 20 August 2024

River Clyde Homes and Subsidiary

Statement of Management Committee's Responsibilities

For the year ended 31 March 2024



Company law requires the Board to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Company at the end of the period and of the surplus or deficiency for the period then ended.

In preparing those financial statements, the Board is required to:

- **select suitable accounting policies, as described on pages 32 to 39, and then apply them consistently;**
- **make judgments and estimates that are reasonable and prudent;**
- **prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and**
- **state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.**

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Registered Association's Determination of Accounting Requirements 2014 and the Housing (Scotland) Act 2010 and the Housing Statement of Recommended Practice Accounting by registered social housing providers 2014 (SORP).

The Board is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

River Clyde Homes and Subsidiary

Management Committee's Statement on Internal Financial Controls For the year ended 31 March 2024



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

- the reliability of financial information used within the Company 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 include ensuring that;

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets;
- experienced and suitably qualified staff take responsibility for important business function; annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared regularly which allow the Board and staff to monitor the key business risks and financial objectives, and progress towards financial plans set for the period and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures from the Board members;
- the Board reviews reports from the Chief Executive and staff and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed, this includes a general review of the major risks facing the Company; and
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Board has continued to review the system of internal financial control in the Company during the period ended 31 March 2024. No weaknesses were found in the internal financial controls, which could result in material losses, contingencies, or uncertainties, which require disclosure in the financial statements, or in the auditors' report on the financial statements.

By order of the Board

A handwritten signature in black ink, which appears to be "John Quinn", written over a thick black horizontal line.

JOHN QUINN

on: 20 August 2024

River Clyde Homes and Subsidiary

External Auditors Report on Corporate Governance Matters For the year ended 31 March 2024



Corporate Governance

In addition to the audit of the financial statements, we have reviewed the Board of Management's statement on page 19 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements to corporate governance matters with Bulletin 2006/5 issues 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 on Internal Financial Control on page 19 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial 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 the Board of Management and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Committee of Management's Statement on Internal Financial Controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

Armstrong Watson Audit Limited

1st Floor
24 Blythswood Square
Glasgow
G2 4BG

A redacted signature, likely of a representative of Armstrong Watson Audit Limited, consisting of a blacked-out line of text.

Date: 20 August 2024

River Clyde Homes and Subsidiary

Independent Auditors' Report

For the year ended 31 March 2024



Opinion

We have audited the financial statements of River Clyde Homes (the 'parent Company') and its subsidiary (the 'Group') for the year ended 31 March 2024, which comprise the Group and Company Statement of comprehensive income, the Group and Company Balance sheets, the Group and Company Statement of cash flows, the Group and Company Statement of changes in equity and the 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 Group's and of the parent Company's affairs as at 31 March 2024 and of the Group's result 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 Companies Act 2006, Schedule 7 of Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019 issued by the Scottish Housing Regulator.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Management Committee, other than the financial statements and our Auditors' 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.

River Clyde Homes and Subsidiary

Independent Auditors' Report

For the year ended 31 March 2024



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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- **the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and**
- **the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- **adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or**
- **the parent Company financial statements are not in agreement with the accounting records and returns; or**
- **certain disclosures of directors' remuneration specified by law are not made; or**
- **we have not received all the information and explanations we require for our audit.**

Responsibilities of directors

As explained more fully in the Management Committee's responsibilities statement on page 18, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company'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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

River Clyde Homes and Subsidiary

Independent Auditors' Report

For the year ended 31 March 2024



Auditors' 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 Auditors' 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:

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 knowledge of the Company to identify or recognise non-compliance with applicable laws and regulations. The applicable laws and regulations include compliance with**
- **FRS 102, the Companies Act 2006, UK tax legislation, Statement of Recommended Practice for Registered Social Housing Providers, Housing (Scotland) Act 2010, and the Charity and Trustee Investment Act (Scotland) 2005.**
- **We identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;**
- **We verified our enquiries through review of Board minutes and other correspondence throughout the year to identify any breaches of laws and regulations.**
- **We reviewed correspondence with Regulators to identify any significant incident reporting and potential penalties due to known breaches identified.**

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

- **Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and**
- **We assessed the level of fraud risk and concluded that the area most susceptible to fraud was revenue recognition and management override of internal controls.**

To address the risk of fraud/error with regard to revenue recognition, we:

- **Performed substantive tests of detail over the various revenue streams in the financial statements;**
- **Performed analytical procedures in addition to substantive tests of detail with regards to the material streams of revenue in the financial statements such as rental income;**
- **Performed enhanced procedures with regards to revenue recognised around the year end date.**

River Clyde Homes and Subsidiary

Independent Auditors' Report

For the year ended 31 March 2024



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

- **Tested journal entries recorded on the Company's finance system to identify unusual transactions that may indicate override of controls;**
- **Reviewed key judgements and estimates for any evidence of management bias.**

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; and**
- **Enquiring of management and reviewing Board minutes and other correspondence throughout the year to identify actual and potential litigation and claims.**

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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 Auditors' report.

Use of our report

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members as a body those matters, we are required to state to them in an Auditors' 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 Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Karen Rae FCCA
Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Floor 1
24 Blythswood Square
Glasgow
G2 4BG

Date: 20 August 2024

River Clyde Homes and Subsidiary

Group Statement of Comprehensive Income

For the year ended 31 March 2024



The notes on pages 32-67 form part of these financial statements.

		2024	2023
	Notes	£'000	£'000
Turnover	2	32,196	31,211
Operating expenditure	2	(28,356)	(28,368)
Operating surplus		3,840	2,843
Loss on disposal of fixed assets	4a	(218)	(196)
Interest receivable		15	8
Interest and Financing Costs	19	(7,825)	(5,561)
Other Financing Income/(Expense)	11	750	10
Deficit on ordinary activities before taxation		(3,438)	(2,896)
Taxation on surplus on ordinary activities	21		-
Deficit for the year	13	(3,438)	(2,896)
Other Comprehensive Income			
Actuarial (loss)/gain on pension scheme	11	(2,088)	(10)
Total comprehensive loss for the year		(5,526)	(2,906)

River Clyde Homes and Subsidiary

Company Statement of Comprehensive Income

For the year ended 31 March 2024



The notes on pages 32-67 form part of these financial statements.

		2024	2023
	Notes	£'000	£'000
Turnover	2	32,079	31,103
Operating expenditure	2	(28,273)	(28,294)
Operating surplus		3,806	2,809
Loss on disposal of fixed assets	4a	(218)	(196)
Interest receivable		40	33
Interest and Financing Costs	19	(7,825)	(5,561)
Other Financing Income/(Expense)	11	750	10
Deficit on ordinary activities before taxation		(3,447)	(2,905)
Taxation on surplus on ordinary activities	21	-	-
Deficit for the year	13	(3,447)	(2,905)
Other Comprehensive Income			
Actuarial (loss)/gain on pension scheme	11	(2,088)	(10)
Total comprehensive loss for the year		(5,535)	(2,915)

River Clyde Homes and Subsidiary

Group Statement of Financial Position as at 31 March 2024



The notes on pages 32-67 form part of these financial statements.

	Notes	2024		2023	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible Assets	4a/b		244,735		241,214
Intangible Assets	4c		984		1,111
Current Assets					
Stock	5	272		245	
Trade and other Debtors	6a	3,287		2,204	
Trade and other debtors due after more than one year	6b	421		254	
Cash and cash equivalents		928		2,874	
		4,908		5,577	
Creditors: amounts falling due within one year	7	(9,921)		(9,814)	
Net current assets			(5,013)		(4,237)
Total assets less current liabilities			240,706		238,088
Creditors: amounts falling due after more than one year	8		(229,367)		(222,105)
Pension Provision	11		(984)		(104)
Total Net Assets			10,354		15,879
Reserves					
Restricted Reserve	13	59		63	
Income & Expenditure Reserve	13	10,295		15,816	
			10,354		15,879

These financial statements were approved and authorised for issue by the Board on 20 August 2024 and signed on their behalf by:

CHAIR OF BOARD:

JOHN QUINN

BOARD MEMBER:

GILLIAN McLEES

DIRECTOR:

THOMAS GREENAN

River Clyde Homes and Subsidiary

Company Statement of Financial Position as at 31 March 2024



The notes on pages 32-67 form part of these financial statements.

	Notes	2024		2023	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible Assets	4a/b		244,648		241,103
Intangible Assets	4c		984		1,059
Current Assets					
Stock	5	-		-	
Trade and other Debtors	6a	6,283		3,805	
Trade and other debtors due after more than one year	6b	421		254	
Cash and cash equivalents		859		2,544	
		7,563		6,603	
Creditors: amounts falling due within one year	7	(12,604)		(10,805)	
Net current assets			(5,041)		(4,202)
Total assets less current liabilities			240,591		237,960
Creditors: amounts falling due after more than one year	8		(229,337)		(222,051)
Pension Provision	11		(984)		(104)
Total Net Assets			10,270		15,805
Reserves					
Restricted Reserve	13	59		63	
Income & Expenditure Reserve	13	10,211		15,742	
			10,270		15,805

These financial statements were approved and authorised for issue by the Board on XX August 2024 and signed on their behalf by:

CHAIR OF BOARD:

JOHN QUINN

BOARD MEMBER:

GILLIAN McLEES

DIRECTOR:

THOMAS GREENAN

River Clyde Homes and Subsidiary

Group Statement of Changes in Reserves as at 31 March 2024



Further details are given in note 13.

	Restricted Reserve £'000	Income & Expenditure Account £'000	Total £'000
At 1 April 2023	63	15,816	15,879
Actuarial loss on pension scheme	-	(2,088)	(2,088)
Gift aid in the year	-	-	-
Deficit for the Year	-	(3,438)	(3,438)
Movement in Year	(4)	4	-
At 31 March 2024	59	10,294	10,353

River Clyde Homes and Subsidiary

Company Statement of Changes in Reserves as at 31 March 2024



Further details are given in note 13.

	Restricted Reserve £'000	Income & Expenditure Account £'000	Total £'000
At 1 April 2023	63	15,742	15,805
Actuarial loss on pension scheme	-	(2,088)	(2,088)
Deficit for the Year	-	(3,447)	(3,447)
Movement in Year	(4)	4	-
At 31 March 2024	59	10,211	10,270

River Clyde Homes and Subsidiary

Group Statement of Cash Flows

for the year ended 31 March 2024



Further details are given in note 14

	2024		2023	
	£'000	£'000	£'000	£'000
Net cash inflow from operating activities (note 14)		10,108		8,708
Cashflow from financing activities				
Interest paid	(7,825)		(5,561)	
Loan advances received	8,100		8,000	
Loans repaid	(1,426)		(1,353)	
Net cash inflow from financing activities		(1,151)		1,086
Cashflow from investing activities				
Purchase of Tangible Fixed Assets	(12,163)		(7,469)	
Purchase of Intangible Fixed Assets	(166)		(1,188)	
Grants Received	1,411		157	
Interest Received	15		8	
Net cash outflow from investing activities		(10,903)		(8,492)
Net Change in Cash and Cash Equivalents		(1,946)		1,302
Cash and cash equivalents at the beginning of the year		2,874		1,572
Cash and cash equivalents at the end of the year		928		2,874
Net Change in Cash and Cash Equivalents		(1,946)		1,302

River Clyde Homes and Subsidiary

Company Statement of Cash Flows for the year ended 31 March 2024



Further details are given in note 14

	2024		2023	
	£'000	£'000	£'000	£'000
Net cash inflow from operating activities (note 14)		10,317		8,640
Cashflow from financing activities				
Interest paid	(7,825)		(5,561)	
Loan advances received	8,100		8,000	
Loans repaid	(1,426)		(1,353)	
Net cash inflow from financing activities		(1,151)		1,086
Cashflow from investing activities				
Purchase of Tangible Fixed Assets	(12,135)		(7,354)	
Purchase of Intangible Fixed Assets	(167)		(1,188)	
Grants Received	1,411		157	
Interest Received	40		33	
Net cash outflow from investing activities		(10,851)		(8,352)
Net Change in Cash and Cash Equivalents		(1,685)		1,373
Cash and cash equivalents at the beginning of the year		2,544		1,171
Cash and cash equivalents at the end of the year		859		2,544
Net Change in Cash and Cash Equivalents		(1,685)		1,373

1. General Information and Accounting Policies

The Company is incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland as a private Company Limited by guarantee with Companies House. River Clyde Homes is registered with the Scottish Housing Regulator as a Registered Social Landlord under the Housing (Scotland) Act 2010. River Clyde Homes adopted Charitable Rules on 7th December 2007 and its Charity Number is SC329031. The Company is defined as a public benefit entity and thus the Company complies with all disclosure requirements relating to public benefit entities.

The Society's address is listed on page 2. Its principal activities and the nature of its operations are detailed on page 5. The principal accounting policies are set out below.

a) Basis of Preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and the Determination of Accounting Requirements 2019 as issued by the Scottish Housing Regulator and under the historical cost convention, modified to include certain financial instruments at fair value.

The financial statements are prepared in Sterling (£) and are rounded to nearest £'000.

b) Critical Accounting Estimates and Areas of Judgement

Preparation of the financial statements requires management to make critical judgements and estimates concerning the future. Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are included below:

i. Useful lives of properties

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on industry averages and our review of our stock. Uncertainties in these estimates relate to the length of time certain components in our homes will last, with varying levels of use potentially lengthening or shortening the lives of these components.

ii. Recoverable amount of rent arrears and debtors

Management considers the reasonable likelihood of rent arrears and debtors being recoverable based on past experience. While every effort is made not to over-estimate the amounts which will be recovered by the Association in the future, the actual amounts which might be received are often out with the Association's control.

iii. Obligations under defined benefit pension scheme

Pension obligations within the financial statements rely on actuarial assumptions and calculations completed by professional actuaries. These assumptions and calculations are reviewed by management to ensure the results are reasonable and appropriate.

Where the performance of the scheme in any given period results in a surplus position at the year end, management consider the likelihood that the Group will receive future economic benefits via reduced contributions or rebates from the scheme.

If these benefits can be reliably quantified and receipt is considered highly probable the value of the recognised asset is restricted to only those amounts deemed as recoverable.

Where the economic benefit cannot be reliably quantified or the timing of receipt is uncertain, management have determined that no asset will be recognised. Management consider this policy to be prudent and aligned with the requirements of FRS 102.

iv. Impairment of Housing Properties

An assessment is made at each reporting date of whether there are indicators that housing properties may be impaired. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential. These impairment losses are recognised in the Statement of Comprehensive Income. See accounting policy k for further details of impairment policy.

c) Consolidation

River Clyde Homes owns the entire share capital of Home Fix Scotland Limited (a private Company limited by shares). In accordance with FRS 102 using the purchase method, the financial statements show the consolidated position of River Clyde Homes and its subsidiary Home Fix Scotland Limited relating to the year ended 31 March 2024. All inter-group transactions are eliminated in full on consolidation.

d) Turnover

Turnover comprises rental and service charge income receivable in the period, other services provided at the invoice value and revenue grants receivable in the period.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and sales of properties built for sale are recognised at the point of legal completion of the transaction.

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

e) Tangible Fixed Assets

Housing properties are stated at cost, all property was acquired at nil value under the stock transfer agreement. The cost of such properties includes the following:

- (i) Cost of acquiring land and buildings
- (ii) Development expenditure including attributable overheads
- (iii) Interest charged on the loans raised to finance the scheme to date of completion.

Works to existing properties will generally be capitalised under the following circumstances:

- (i) Where a component of the housing property, that has been treated separately for depreciation purposes and depreciated over its useful economic life, is replaced or restored; or
- (ii) Where the subsequent expenditure provides an enhancement of the economic benefits of the tangible fixed asset in excess of the previously assessed standard performance. Such enhancement can occur if improvements result in an increase in rental income, a material reduction in future maintenance costs or a significant extension of the life of the property.

Works to existing properties which fail to meet the above criteria are charged to the Statement of Comprehensive Income. The major components of properties are deemed to be structure, roofs, windows and doors, bathrooms, mechanical systems, lifts, electrics, kitchens and central heating systems. Each component has a substantially different economic life and is depreciated over this individual life. Depreciation rates are shown in note (j).

f) Intangible Fixed Assets

Intangible assets purchased are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Purchased computer software	3 years
Website development costs	3 years
Re-Financing Fees	10 years

Amortisation is revised prospectively if there is a significant change in the useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

g) Investments in Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements

h) Government Grants

Where developments have been financed wholly or partly by Housing Company Grant or other capital grant, the Grants will be presented as deferred income within liabilities on the Balance Sheet. The grant recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, then any unamortised grant remaining is derecognised as a liability and recognised as income. Where there is a requirement to repay a grant, a liability is included in the Statement of Financial Position to recognise this obligation.

i) Other Grants

Grants received in respect of revenue expenditure are credited to the Statement of Comprehensive Income in the same period as the expenditure to which they relate.

j) Depreciation**Housing Land and Buildings:**

Housing Properties are stated at cost less accumulated depreciation. Depreciation is charged based on the useful life of each component within its housing properties as follows:-

Structure	100 years
Roofs	70 years
Windows and doors	40 years
Bathrooms	30 years
Mechanical Systems	30 years
Lifts	30 years
Electrics	30 years
Kitchens	15 years
Central heating systems	15 years

Housing under construction is not depreciated and no depreciation is charged on the cost of land.

Other Fixed Assets:

A full year's depreciation is charged in the year of acquisition but no charge is made in the year of disposal. Depreciation is charged at rates estimated to write off costs less the estimated residual value over the expected useful life, as follows:

Furniture and Fittings	20% straight line
Computer Equipment	33 1/3% straight line

Assets transferred from Inverclyde Council were revalued in order to establish an initial value. They will be depreciated as per the policy above in future years.

k) Impairment

An assessment is made at each reporting date of whether there are indicators that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, estimates on the recoverable amount of the asset are made. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the Statement of Comprehensive Income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in Statement of Comprehensive Income. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

l) Value added tax

The Company is registered for VAT. A large portion of its income, including rental receipts, is exempt for VAT purposes, giving rise to a partial exemption calculation. Expenditure is charged to the Statement of Comprehensive Income inclusive of VAT. Recoverable VAT arising from partial exempt activities is credited to the Statement of Comprehensive Income.

m) Pension

The Company participates in two pension schemes as follows:

- i) Strathclyde Pension Fund which is a defined benefit scheme as defined by the Local Government Pension Scheme (Scotland) regulations 1998. Contributions are charged to the Statement of Comprehensive Income so as to spread the cost of pensions over the employees' working lives within the Company. There has been no change in accounting treatment in the year.
- ii) Scottish Housing Association Pension Scheme which is a multi employer defined benefit scheme managed by the Pension Trust. Retirement benefits to employees of the Association are funded by contributions from all participating employers and employees in the Scheme.
 - a. For the SHAPS, the association is able to identify its share of the scheme assets and scheme liabilities from 1 April 2018 and therefore has applied defined benefit accounting from this date onwards. FRS 102 Section 28 requires the difference on transition from defined contribution to defined benefit accounting to be presented separately in other comprehensive income. The group early adopted the amendment made to Section 28 of

FRS 102, as issued in May 2020 by the Financial Reporting Council, and therefore recognised the difference on transition to defined benefit accounting in the year ended 31 March 2020. The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. This has been recognised within the defined benefit pension liability on the face of the statement of financial position.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period within the Statement of Comprehensive Income. Interest is calculated on the net defined benefit liability. Remeasurements are reported in other comprehensive income.

n) Allocation of Owner Occupier Income

Monies charged and received from owner-occupiers for common maintenance are credited into the Statement of Comprehensive Income within the accounting period in which it is invoiced.

o) Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

p) Sale of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale.

q) Energy Trust and Scottish Government Loan

The Company has treated the loan value in accordance with section 34 of FRS 102. The loan has a nil rate of interest and therefore under section 34.89 and 90 the Company has taken the decision of accounting for this at cost.

r) Stock

Stock is stated at the lower of cost and net realisable value. Net realisable value is calculated as estimated sales proceeds less costs to sell. Cost is calculated using the weighted average costing method.

s) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use or sale. All other borrowing costs are expensed as incurred.

t) Deposits and Liquid Resources

Cash comprises cash in hand and deposits repayable on demand less overdrafts repayable on demand. Liquid resources are current asset investments that are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying value.

u) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense. Employees are entitled to carry forward up to 5 days of any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FRS102 requires the Company to recognise the cost of all employee benefits to which its employees have become entitled as a result of service rendered during the reporting period.

v) Taxation

As a registered charity, River Clyde Homes is exempt from corporation tax on its charitable activities by virtue of Section 505(1) Income & Corporation Taxes Act 1988 and from capital gains tax by virtue of Section 145 Capital Gains Tax Act 1979.

Home Fix Scotland is subject to Corporation Tax on its applicable activities. Any payments due for corporation tax will be recognised.

w) Going concern

The Management Committee considers on an annual basis the appropriateness of preparing the Company's Financial Statements on a going concern basis. Matters which are taken into account in this process include:

- The prevailing economic climate, both internationally and locally and its impact, if any, on the Company's viability.
- The financial position of the Company and the impact, if any, of perceived weaknesses on the Company's viability.
- The short, medium and long term financial prospects resulting from the modelling exercise carried out annually in updating the Company's 30 year Business Plan including sensitivity analyses and independent verification of key underlying assumptions.

In the absence of any fundamental shortcomings raised as a result of the above exercise the Management Committee consider the going concern assumption underlying the preparation of the Company's Financial Statements to be appropriate.

x) Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised cost model. Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with the movements posted to the Statement of Comprehensive Income (unless hedge accounting is applied). The group and association have not adopted hedge accounting for the financial instruments.

2. GROUP PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS				
	Turnover	Operating Costs	Operating Surplus / / (Deficit)	Operating Surplus / (Deficit) for previous period of account
	£'000	£'000	£'000	£'000
Social lettings (Note 3a)	31,116	27,273	3,843	3,009
Other activities (Note 3b)	1,080	1,083	(3)	(166)
Total	32,196	28,356	3,840	2,843
2023	31,211	28,368	2,843	

2. COMPANY PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS				
	Turnover	Operating Costs	Operating Surplus	Operating Surplus/ (Deficit) for previous period of account
	£'000	£'000	£'000	£'000
Social lettings (Note 3a)	31,033	27,246	3,787	2,935
Other activities (Note 3b)	1,046	1,027	19	(126)
Total	32,079	28,273	3,806	2,809
2023	31,103	28,294	2,809	

3a. GROUP PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM SOCIAL LETTING ACTIVITIES		
	2024	2023
	£'000	£'000
Rent receivable net of Service Charges	30,890	29,317
Service Charges	932	865
Gross income from rents and service charge	31,822	30,182
Less voids	(2,761)	(2,022)
Net income from rents and service charges	29,061	28,160
Grants from the Scottish Ministers	1,747	1,571
Other Income	308	329
Total turnover from social letting activities	31,116	30,060
Management and maintenance administration costs	11,953	12,730
Planned and cyclical maintenance inc major repair costs	2,377	2,343
Reactive maintenance costs	3,924	3,567
Bad Debts - rents and service charge	367	298
Depreciation of social housing	8,652	8,113
Operating costs for social letting activities	27,273	27,051
Operating Surplus for Letting Activities	3,843	3,009
2023	3,009	
<p>The above information relates to General Needs Housing only as RCH do not have any shared ownership or supported housing properties.</p> <p>The total amount of major repairs expenditure incurred in the year was £11,968,000 (2023-£6,805,474). Major repairs of £11,691,348 (2023-£6,201,263) were capitalised in the year.</p>		

3a. COMPANY PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM SOCIAL LETTING ACTIVITIES		
	2024	2023
	£'000	£'000
Rent receivable net of Service Charges	30,890	29,317
Service Charges	932	865
Gross income from rents and service charge	31,822	30,182
Less voids	(2,761)	(2,022)
Net income from rents and service charges	29,061	28,160
Grants from the Scottish Ministers	1,747	1,571
Other Income	225	255
Total turnover from social letting activities	31,033	29,986
Management and maintenance administration costs	12,049	12,730
Planned and cyclical maintenance inc major repair costs	2,377	2,343
Reactive maintenance costs	3,924	3,567
Bad Debts - rents and service charge	367	298
Depreciation of social housing	8,529	8,113
Operating costs for social letting activities	27,246	27,051
Operating Surplus for Letting Activities	3,787	2,935
2023	2,935	
<p>The above information relates to General Needs Housing only as RCH do not have any shared ownership or supported housing properties.</p> <p>The total amount of major repairs expenditure incurred in the year was £11,968,000 (2023-£6,805,474). Major repairs of £11,691,348 (2023-£6,201,263) were capitalised in the year.</p>		

3b. GROUP PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES								
	Grants from Scottish Ministers	Restricted revenue grants	Supporting people income	Other income	Total Turnover	Other operating costs	Year to 2024 Operating Surplus/ (Deficit)	Year to 2023 Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Support activities	-	-	190	421	611	631	(20)	(41)
Homefact	-	-	-	293	293	293	-	-
Social Housing Fuel Support Fund	-	78	-	-	78	74	4	-
Homelessness Prevention	-	39	-	-	39	26	13	(18)
Analogue to Digital Telecare Transition	-	-	-	-	-	-	-	(46)
Short Term Grant Funding	-	1	-	-	1	4	-3	(3)
Cycle Scotland	-	-	-	4	4	14	(10)	(65)
Other activities	-	-	-	54	54	41	13	-
Total from other activities	-	118	190	772	1,080	1,083	(3)	(166)
2023	-	263	190	698	1,151	1,317	(166)	

Grants awarded have only been spent for the purposes intended.
During the year there was no other surplus or deficit from other activities other than that noted above.

3b. COMPANY PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES									
	Grants from Scottish Ministers	Restricted revenue grants	Supporting people income	Other income	Total Turnover	Other operating costs	Year to 2024 Operating Surplus/ (Deficit)	Year to 2023 Operating Surplus/ (Deficit)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Support activities	-	-	190	387	577	575	2	(1)	
Homefact	-	-	-	293	293	293	-	-	
Social Housing Fuel Support Fund	-	78	-	-	78	74	4	-	
Homelessness Prevention	-	39	-	-	39	26	13	(18)	
Analogue to Digital Telecare Transition	-	-	-	-	-	-	-	(46)	
Short Term Grant Funding	-	1	-	-	1	4	(3)	4	
Cycle Scotland	-	-	-	4	4	14	(10)	(65)	
Other activities	-	-	-	54	54	41	13	-	
Total from other activities	-	118	190	738	1,046	1,027	19	(126)	
2023	-	263	190	664	1,117	1,243	(126)		

Grants awarded have only been spent for the purposes intended.
During the year there was no other surplus or deficit from other activities other than that noted above.

4a. Tangible Fixed Assets - Group and Company - Housing Properties

All properties were transferred to the Company at nil value as part of the Large Scale Voluntary Stock Transfer from Inverclyde Council. During the year, 146 properties have been scheduled for demolition, resulting in a £217,748 loss (2023: £196,358). All such properties had a £nil value. Security has been granted to lenders in respect of housing properties and net cumulative interest capitalised on housing properties at 31 March 2024 amounted to £nil (2023: £nil).

	Housing Properties Held for Letting	Housing Properties Held for Construction	Totals
	£'000	£'000	£'000
Cost			
At 1 April 2023	300,580	2,904	303,484
Additions during the period	12,087	-	12,087
Transferred during the period	-	-	-
Disposals during the period	(114)	-	(114)
At 31 March 2024	312,553	2,904	315,457
Depreciation			
At 1 April 2023	62,387	-	62,387
Provided during the period	8,529	-	8,529
Disposals during the period	(74)	-	(74)
At 31 March 2024	70,842	-	70,842
Net Book Value			
As at 31 March 2024	241,711	2,904	244,615
As at 31 March 2023	238,193	2,904	241,097
Social Housing Grant is repayable under certain circumstances. The amount relating to asset disposal during the year is £40,320 (2023: £3,132).			
The value of land held within Housing Properties Held for Letting is £3,658,652 (2023: £3,658,652).			

4b. Tangible Assets - Group - Other.

	Furniture and Fittings	Plant and Machinery	Computer Equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2023	57	220	3,099	3,376
Additions during the period	-	29	47	76
Disposals during the period	(57)	(27)	(521)	(605)
At 31 March 2024	-	222	2,625	2,847
Depreciation				
At 1 April 2023	57	109	3,093	3,259
Provided during the period	-	53	20	73
Disposals during the period	(57)	(27)	(521)	(605)
At 31 March 2024	-	135	2,592	2,727
Net Book Value				
As at 31 March 2024	-	87	33	120
As at 31 March 2023	-	111	6	117
Plant and machinery held by the Group, with a carrying value of £55,877 (2023: £79,874) are held under finance leases.				

4b. Tangible Assets - Company - Other.

	Furniture and Fittings £'000	Computer Equipment £'000	Total £'000
Cost			
At 1 April 2023	57	3,099	3,156
Additions during the period	-	47	47
Disposals during the period	(57)	(521)	(578)
At 31 March 2024	-	2,625	2,625
Depreciation			
At 1 April 2023	57	3,093	3,150
Provided during the period	-	20	20
Disposals during the period	(57)	(521)	(578)
At 31 March 2024	-	2,592	2,592
Net Book Value			
As at 31 March 2024	-	33	33
As at 31 March 2023	-	6	6
None of the Company's properties are held under finance lease agreements.			

4c. Intangible Assets - Group

	Computer Software	Website Development	Arrangement Fee	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2023	1,212	63	1,021	2,296
Additions during the period	166	-	-	166
Disposals during the period	(313)	-	-	-313
At 31 March 2024	1,065	63	1,021	2,149
Depreciation				
At 1 April 2023	1,020	63	102	1,185
Provided during the period	191	-	102	294
Disposals during the period	(313)	-	-	(313)
At 31 March 2024	898	63	204	1,165
Net Book Value				
As at 31 March 2024	167	-	817	984
As at 31 March 2023	192	-	919	1,111

4c. Intangible Assets - Company

	Computer Software	Website Development	Arrangement Fee	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2023	1,059	63	1,021	2,143
Additions during the period	166	-	-	166
Disposals during the period	(313)	-	-	(313)
At 31 March 2024	913	63	1,021	1,997
Depreciation				
At 1 April 2023	919	63	102	1,084
Provided during the period	140	-	102	242
Disposals during the period	(313)	-	-	(313)
At 31 March 2024	746	63	204	1,013
Net Book Value				
As at 31 March 2024	167	-	817	984
As at 31 March 2023	140	-	919	1,059

5. Stock General Stock

Group		Company	
2024	2023	2024	2023
£'000	£'000	£'000	£'000
272	245	-	-
272	245		

The cost of stock recognised as an expense during the year amounted to £0.8 million (2023: £0.7 million).

6a. Debtors due within one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Rent arrears	1,907	1,999	1,907	1,999
Less: bad debt provision	(1,515)	(1,397)	(1,515)	(1,397)
	392	602	392	602
Prepayments	207	225	192	164
Intercompany Loan	-	-	497	497
Intercompany Debtors	-	-	2,525	1,166
Sundry debtors	1,418	1,270	1,407	1,269
Less: bad debt provision	(295)	(254)	(295)	(254)
	1,241	1,241	4,326	2,842

Grant receivable	1,565	361	1,565	361
	3,287	2,204	6,283	3,805

In October 2016, RCH entered into an intercompany loan agreement of £0.5 million with its subsidiary Home Fix Scotland. The interest associated with this loan agreement is 5% per annum. The loan is repayable on demand.

6b. Debtors due after more than one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Sundry debtors	421	254	421	254
	421	254	421	254

7. Creditors due within one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	638	378	638	378
Other taxation and social security	263	222	177	189
Rents in advance	252	375	252	375
Hire Purchase Lease	56	80	56	80
Deferred Capital Grant (Note 9)	1,584	1,557	1,584	1,557
Loan	1,764	1,426	1,764	1,426
Intercompany creditors	-	-	3,229	1,576
Accruals and other creditors	5,364	5,776	4,904	5,224
	9,921	9,814	12,604	10,805

No security is attached to creditors of the subsidiary.

8. Creditors due after one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Hire Purchase Lease	32	54	-	-
Deferred Capital Grant (Note 9)	99,834	98,884	99,834	98,884
Loan	129,503	123,167	129,503	123,167
	229,369	222,105	229,337	222,051

Loans				
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans are repayable in instalment due as follows: -				
In one year or less	1,764	1,426	1,764	1,426
Between one and two years	1,987	1,764	1,987	1,764
Between two and five years	4,706	9,590	4,706	9,590
In five years or more	122,810	111,813	122,810	111,813
	131,267	124,593	131,267	124,593

The Company holds loan facilities of £105 million and £25 million with RBS and Nationwide respectively.

The Company holds three terms loans with RBS and a revolving credit facility. Term loan A accrues interest at a fixed rate of 6.19% per annum and is repayable by March 2035. Term loan B accrues interest at SONIA +1.5% per annum and is repayable by September 2047. Term loan C accrues interest at SONIA +1.2% per annum and is repayable by way of bullet payment in 2032. The revolving facility accrues interest at SONIA +1.4% per annum and is repayable in 2032.

8. Creditors due after one year (continued)

The Company holds two term loans with Nationwide and a revolving credit facility. Term loan A accrues interest at 6.19% fixed per annum and is repayable by March 2038. Term loan B accrues interest at SONIA +1.5% per annum and is repayable by March 2032. The revolving facility accrues interest at SONIA +1.45% per annum and is repayable in 2032.

The Company's loan facilities are secured by a standard security over 5,669 of the Company's properties and contains a negative pledge. This security is held by Prudential Trustee Company Limited as Security Trustee for the aforementioned finance parties.

Energy Trust Loans of £0.3 million are repayable over 3 years (£0.1 million within one year) and have no interest charge. Scottish Government Loans of £0.2 million is repayable over 1 years (£0.2 million within one year) and have no interest charge.

9. Deferred Capital Grant

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Opening Balance	100,441	101,858	100,441	101,858
Grant Received in the Year	2,616	157	2,616	157
Capital Grant Impaired	(40)	(3)	(40)	(3)
Capital Grant Released	(1,599)	(1,571)	(1,599)	(1,571)
	101,418	100,441	101,418	100,441
Amounts to be Released within One Year	1,584	1,557	1,584	1,557
Amounts to be Released after One Year	99,834	98,884	99,834	98,884
	101,418	100,441	101,418	100,441

10. Employees - Group

	2024	2023
	No.	No.
The average full time equivalent number (including key management personnel) of persons employed by the Company during the period were as follows:	267.7	263.8
Group Services	40.6	40.6
Strategic Leadership Team	7.7	7.7
Customer Services	85.7	85.7
Property Services	22.3	22.3
Home Fix Scotland	111.4	107.5

10. Employees - Group (continued)

	2024	2023
	No.	No.
The average number of persons employed by the Company during the period	233	260
	£'000	£'000
Wages and salaries	9,233	8,595
Social security costs	884	915
Other pension costs	815	1,101
Staff costs during period	10,932	10,611

Key Management Personnel are defined as the members of the Board, the Chief Executive and any other person reporting directly to the Chief Executive or the Board whose total emoluments exceed £60,000 per year.

The total number of staff members whose emoluments exceeded £60,000 per year was 14 (2023: 11).

The number of the Key Management Personnel whose emoluments, excluding pension contributions, were over £60,000 per annum were as follows:

	No.	No.
£60,001 to £70,000		1
£70,001 to £80,000	-	-
£80,001 to £90,000	-	-
£90,001+	5	3

	2024	2023
	£'000	£'000
Aggregate emoluments for the above Key Management Personnel (excluding pension contributions)	459	431
The emoluments of the Chief Executive (excluding pension contributions)	147	147
Aggregate pension contributions in relation to the above key management personnel	55	47

There were redundancy costs of £102,915 in the year (2023: £369,285). The Chair of the Boards received emoluments of £5,000 (RCH Board) and £4,000 (HFS Board) in the year (2023: £5,000 and £4,000) in respect of their services to the Group.

11. Pension Obligations

The Company's employees belong to two Pension funds, the Strathclyde Pension Fund which is part of the Local Government Pension Scheme (LGPS), and the Scottish Housing Associations' Pension Scheme. Pension payments outstanding at the end of the financial year totalled £35,759 (2023: £33,818) and £94,342 (2023: £93,401) respectively.

11. Pension Obligations – The Strathclyde Pension Fund

(i) The Strathclyde Pension Fund is a defined benefit scheme which provides benefits based on the final pensionable salary, the assets of which are held in a separate trustee administered fund. The pension costs are assessed with the advice of independent qualified actuaries, using the projected unit method.

The assumptions and other data that have the most significant effect on the determination of the contribution levels of this scheme are as follows:

	31/03/2024 % per annum	31/03/2023 % per annum
Retail Price Inflation	3.2	3.3
Increase in salaries	3.5	3.7
Increase in pension and deferred pensions	2.8	2.95
Discount rate	4.8	4.75

The Company's share of assets in the scheme and expected rate of return were:

	31/03/2024 Assets 2024 £'000	31/03/2023 Assets 2023 £'000
Equities	31,680	30,379
Bonds	14,747	14,177
Property	5,462	5,063
Cash	2,731	1,012
Total	54,620	50,631

11. Pension Obligations – The Strathclyde Pension Fund (continued)

The mortality assumptions for those aged 65 adopted at 31 March 2024 imply the following life expectancies:

	Males	Females
Current Pensioners	19.5 years	22.5 years
Future Pensioners	19.9 years	24.6 years

Net Pension Liability

	31/03/2024	31/03/2023	31/03/2022	31/03/2021	31/03/2020
	£'000	£'000	£'000	£'000	£'000
Estimated Employer Assets	54,620	50,631	52,057	48,810	41,008
Present Value of funded liabilities	(33,933)	(33,549)	(49,731)	(52,446)	(43,279)
Present Value of unfunded liabilities	(1,368)	(1,359)	(1,768)	(1,899)	(1,653)
Net Pension Asset/ (Liability)	19,319	15,723	558	(5,535)	(3,924)

In line with the stated accounting policy and having given due consideration to the requirements of FRS 102, the Directors have determined that recognition of the net pension asset within the financial statements is not appropriate given the lack of quantifiable economic benefit the Group expects to receive, and the undeterminable timing of any inflow should it arise. The Board have consulted with external professionals when making this assessment.

	31/03/2024		31/03/2023	
	%	£'000	%	£'000
Expected return on Assets	156.7	2,391	142.8	1,396
Interest on pension scheme liability	(100.9)	(1,641)	(98.1)	(1,386)
Net Gain/(Loss) (B)	55.8	750	44.7	10
Net Revenue Account Costs (A) - (B)	35.4	585	22.2	371

11. Pension Obligations – The Strathclyde Pension Fund (continued)

Analysis of the amount charged to operating profit

	31/03/2024		31/03/2023		31/03/2022		31/03/2021		31/03/2020	
	%	£'000	%	£'000	%	£'000	%	£'000	%	£'000
Service costs	20.4	373	22.5	777	46.4	1,038	51.7	803	37.3	1,019
Past service costs	0.0	0	0.0	0	0.0	0	0.00	0	2.5	67
Total Operating Charge (A)	20.4	373	22.5	777	46.4	1,038	51.7	803	39.8	1,086

Analysis of the amount in Statement of Total Recognised Surpluses and Deficits

	2024	2023
	£'000	£'000
Opening Balance Gain/(Losses)	1,422	1,088
Actuarial gain	2,783	15,499
Impact of irrecoverable surplus	(3,596)	(15,165)
Increase/(Decrease) in Irrecoverable Surplus from Membership	-	-
Actuarial gain on assets and liabilities recognised in Comprehensive Income	2,783	15,499
Cumulative Actuarial Gain	609	1,422

11. Pension Obligations – The Strathclyde Pension Fund (continued)

Movement in pension deficit during the year	2024 £'000	2023 £'000
Deficit at beginning	-	-
Current Service cost	(373)	(777)
Past Service cost	-	-
Expected Return on Employers assets	2,391	1,396
Interest Costs	(1,641)	(1,386)
Employers Contribution	436	433
Actuarial gain	2,783	15,499
Actuarial loss on asset ceiling	(3,596)	(15,165)
Pension deficit at end of year	-	-

ii. Scottish Housing Association Pension Scheme is a multi-employer defined benefit scheme managed by the Pension Trust. Contributions are charged to the Statement of Comprehensive Income to spread the cost of pensions over the employees' working lives within the Company.

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY) - SHAPS

	2024 £'000	2023 £'000
Fair value of plan assets	7,513	7,460
Present value of defined benefit obligation	8,497	7,564
Surplus/(Deficit) in plan	(984)	(104)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(984)	(104)

11. Pension Obligations (continued) - SHAPS**RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION**

	2024
	£'000
Defined benefit obligation at start of period.....	7,564
Current service cost	241
Expenses.....	12
Interest expense.....	376
Contributions by plan participants	337
Actuarial losses (gains) due to scheme experience.....	395
Actuarial losses (gains) due to changes in demographic assumptions.....	(127)
Actuarial losses (gains) due to changes in financial assumptions.....	(4,923)
Benefits paid and expenses	(105)
Defined benefit obligation at end of period.....	8,497

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	2024
	£'000
Fair value of plan assets at start of period.....	7,460
Interest income.....	380
Experience on plan assets (excluding amounts included in interest income) - gain (loss).....	(7,180)
Contributions by the employer	644
Contributions by plan participants	337
Benefits paid and expenses	(105)
Fair value of plan assets at end of period	7,513

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£823,000).

11. Pension Obligations (continued) - SHAPS

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCl)

	2024
	£'000
Current service cost	241
Expenses	12
Net interest expense	(4)
Defined benefit costs recognised in statement of comprehensive income (SoCl)	249

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	2024
	£'000
Experience on plan assets (excluding amounts included in net interest cost)- gain (loss).....	(1,203)
Experience gains and losses arising on the plan liabilities - gain (loss)	(395)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	37
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	286
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(1,275)
Total amount recognised in other comprehensive income - gain (loss)	(1,275)

11. Pension Obligations (continued) - SHAPS

ASSETS	2024 £'000	2023 £'000
Global Equity	864	197
Absolute Return	338	202
Distressed Opportunities	276	229
Credit Relative Value	265	284
Alternative Risk Premia	270	43
Emerging Markets Debt	132	58
Risk Sharing	451	544
Insurance-Linked Securities	47	208
Property	318	311
Infrastructure	719	804
Private Equity	6	-
Private Debt	302	333
Opportunistic Illiquid Credit	299	330
High Yield	1	38
Opportunistic Credit	-	-
Cash	195	31
Corporate Bond Fund	-	10
Liquid Credit	-	-
Long Lease Property	56	250
Secured Income	251	499
Liability Driven Investment	2,717	3,158
Currency Hedging	(3)	14
Net Current Assets	9	17
Total assets	7,513	7,460
None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.		

11. Pension Obligations (continued) - SHAPS**KEY ASSUMPTIONS**

	31/03/2024 % per annum	31/03/2023 % per annum
Allowance for commutation of pension for cash at retirement	75	75
Inflation (RPI)	3.07	3.14
Increase in salaries	3.80	3.83
Increase (CPI)	2.80	2.83
Discount rate	4.94	4.81

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 (YEARS)
Male Retiring in 2024	20.2
Female Retiring in 2024	22.7
Male Retiring in 2044	21.4
Female Retiring in 2044	24.1

12. Company limited by guarantee

The Company is a Company limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each.

13. Reconciliation of movement in reserves – Group

Income & Expenditure Reserve	2024 £'000	2024 £'000
Opening funds	15,816	18,554
Deficit for period	(3,438)	(2,562)
Tfr from/(to) Restricted Reserve	4	168
Gift Aid	-	-
SHAPS Actuarial (loss)/gain on pension scheme	(1,275)	(344)
LGPS Actuarial gain on pension scheme	(813)	-
Revenue reserve at end of year	10,294	15,816

Restricted Reserves	2024 £'000	2023 £'000
Opening funds	63	231
Movement in the Year	(4)	(168)
Restricted Reserve	59	63

Restricted Reserve Detail	Opening Funds £'000	Movement in Year £'000	Balance £'000
Support & Connect	26	(19)	7
Homelessness Prevention Fund	-	13	13
Short Term Grant	16	(3)	13
Outreach Financial Wellbeing Service	-	12	12
Social Housing Fuel Support Fund	-	5	5
Digital Telecare	4	-	4
Cycle Scotland	17	(12)	5
Restricted Reserve	63	(4)	59

13. Reconciliation of movement in reserves – Company

Income & Expenditure Reserve	2024 £'000	2023 £'000
Opening funds	15,742	18,489
Deficit for period	(3,447)	(2,905)
Tfr from/(to) Restricted Reserve	4	168
SHAPS Actuarial (loss)/gain on pension scheme	(1,275)	(10)
LGPS Actuarial gain on pension scheme	(813)	-
Revenue reserve at end of year	10,433	15,742

13. Reconciliation of movement in reserves – Company (continued)

Restricted Reserve Detail	Opening Funds £'000	Movement in Year £'000	Balance £'000
Support & Connect	26	(19)	7
Homelessness Prevention Fund	-	13	13
Short Term Grant	16	(3)	13
Outreach Financial Wellbeing Service	-	12	12
Social Housing Fuel Support Fund	-	5	5
Digital Telecare	4	-	4
Cycle Scotland	17	(12)	5
Restricted Reserve	63	(4)	59

14. Notes to the Cash Flow Statement – Group

a) Reconciliation of operating surplus to Net cash inflow from operating activities	2024 £'000	2023 £'000
Operating surplus	3,840	2,843
Depreciation	8,894	8,620
Pension - employee income	458	94
Capital Grant Released	(1,639)	(1,574)
Disposal of Fixed Assets Demolition	(218)	(196)
Disposal of Fixed Assets	41	6
Other Finance Income	750	10
Decrease / (Increase) in debtors	(1250)	184
Decrease / (Increase) in stock	(27)	(42)
Decrease in creditors	(741)	(1,237)
Net cash flow from operating activities	10,108	8,708

b) Reconciliation of net cash flow to movement in net debt	2024 £'000	2023 £'000
Increase/(Decrease) in cash for the period	(1,946)	1,302
Loans received	(8,100)	(8,000)
Loan repayments	1,426	1,353
Change in net debt	(8,620)	(5,345)
Opening Net debt	(121,719)	(116,374)
Net debt as at 31 March 2024	(130,339)	(121,719)

14. Notes to the Cash Flow Statement – Group (continued)

c) Analysis of changes in net debt	As at 01/04/23 £'000	Cash Flow £'000	Other Changes £'000	As at 31/03/24 £'000
Cash at bank and in hand	2,874	(1,946)	-	928
Debt due within one year	-	-	-	-
Debt due after one year	(124,593)	(6,674)	-	(131,267)
	(121,719)	(8,620)	-	(130,339)

14. Notes to the Cash Flow Statement – Company

a) Reconciliation of operating surplus to Net cash inflow from operating activities	2024 £'000	2023 £'000
Operating surpluses	3,805	2,809
Depreciation	8,549	8,134
Pension - employee income	458	94
Disposal of Fixed Assets - Demolition	(218)	(196)
Disposal of Fixed Assets	41	2
Amortisation of Intangible Fixed Assets	242	383
Other Finance Income	750	10
Capital Grant Released	(1,639)	(1,571)
Decrease / (Increase) in debtors	(2,645)	169
(Increase) / Decrease in stocks	-	(42)
Decrease in creditors	974	(1,153)
Net cash flow from operating activities	10,317	8,640

b) Reconciliation of net cash flow to movement in net debt	2024 £'000	2023 £'000
Increase/(Decrease) in cash for the period	(1,685)	1,373
Loans received	(8,100)	(8,000)
Loan repayments	1,426	1,353
Change in net debt	(8,359)	(5,724)
Opening Net debt	(122,049)	(116,775)
Net debt as at 31 March 2024	(130,408)	(122,049)

c) Analysis of changes in net debt	As at 01/04/23 £'000	Cash Flow £'000	Other Changes £'000	As at 31/03/24 £'000
Cash at bank and in hand	2,544	(1,685)	-	859
Debt due within one year	-	-	-	-
Debt due after one year	(124,593)	(6,647)	-	(131,267)
	(122,049)	(8,359)	-	(130,408)

15. Unit numbers under management

	2024 No.	2023 No.
Cottage	2,007	2,007
Flat	608	608
Maisonette	74	72
Multi-Storey	837	937
Tenement	2,614	2,614
	6,140	6,140

16. Related Parties

Various members of the Board are Tenants of the Company. The transactions with the Company are all done on standard terms, as applicable to all Tenants. During the year £16,078 (2023: £10,402) of rent was receivable from these tenant members. At the year-end there were £nil (2023: £nil) of rent arrears due from these tenant members. There are also Councillors from Inverclyde Council on the Board. Any transactions with Inverclyde Council are made at arm's length, on normal commercial terms and these Board members cannot use their position on the Board to their or the Council's advantage.

17. Auditors Remuneration

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fees payable to the auditor and its associates for the audit of the financial statements (including VAT)	38	32	26	22
Fees payable to the auditor and its associates in relation to taxation services	1	1	-	-

18. Annual Operating Leases-Group and Company

	2024 £'000		2023 £'000	
	Land & Buildings	Other Assets	Land & Buildings	Other Assets
Leases < 1 year	283	437	283	537
Lease 1 - 5 years	1,133	-	1,133	396
Leases > 5 years	1,535	-	1,818	-
	2,951	437	3,234	933

All the above leases relate to land, buildings, IT infrastructure and plant and machinery. The cost of operating leases recognised as an expense during the year amounted to £0.8 million (2023: £0.8 million).

19. Interest Payable and Other Charges

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank and Building Society Loans	7,825	5,561	7,825	5,561

20. Capital Commitments

	2024 £'000	2023 £'000
Expenditure authorised by the Board	6,848	-
Less certified	(3,360)	-
	3,488	-

All above commitments are expected to be funded by grant or private finance

21. Tax on Profit on Ordinary Activities

	2024 £'000	2023 £'000
Current Tax: UK corporation tax on profits of current year	-	-
Adjustments in respect of previous periods	-	-
Total current Tax	-	-
Deferred Tax: Origination and reversal of timing differences	-	-
Effect of increased tax rate on opening liability	-	-
Total deferred Tax	-	-
Total profit on ordinary activities	-	-

22. Financial Instruments

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Financial Assets				
Cash and Cash Equivalents	928	2,874	859	2,544
Financial assets that are debt instruments measured at amortised cost	3,375	2,750	5,387	3,896
Financial Liabilities				
Financial liabilities measured at amortised cost	136,414	131,495	138,908	132,415

Financial assets that are debt instruments measured at amortised cost comprise rental arrears, other debtors and amounts owed by fellow group companies.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, amounts owed to fellow group companies, accruals and bank loans.



**Report and Financial Statement
For the year ended 31 March 2024**

REGISTRATION PARTICULARS:

Principal Office and registered address:

River Clyde Homes

Clyde View

22 Pottery Street Greenock PA15 2UZ

www.riverclydehomes.org.uk

Company Number: SC329031

Charity Number: SC038584

Property Factor Registration Number: PF000152
Scottish Housing Regulator Registered Number: 362

Part of the

RCH GROUP