

Rutherglen and Cambuslang Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2025



Registered Housing Association No. HAC176

FCA Reference No. 2029R(S)

Scottish Charity No. SC041992

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Members of the Board of Management, Executives and Advisers for the Year Ended 31 March 2025

Board of Management

Frances Cunningham	Chairperson
Gary Gow	Vice-chairperson
James Ross	Secretary
Karen McCartney	
Natalie Kirk	
Karen Kirk	
Heather Ross	
Robert McLeary	Resigned 18 February 2025
Mary Ellen McKeown	Resigned 18 February 2025
Adele Fraser	Appointed 17 September 2024
Catrina Miller	Appointed 17 September 2024
Darren Ward	Appointed 17 September 2024
Sharon Lynch	Appointed 17 September 2024
Karha Hughes	Appointed 17 September 2024, Resigned 22 May 2025

Executive Officers and Key Management Personnel

Angela Spence	Chief Executive Officer	Appointed 4 August 2025
Elaine Lister	Director	Resigned 1 August 2025
James Kerr	Housing Services Manager	Appointed 1 May 2024
Ronald Cunningham	Housing Services Manager	Resigned 19 April 2024
Mandy Hamilton	Maintenance Manager	
Wilma McInerney	Corporate Services Manager	

Registered Office

Aspire Business Centre
16 Farmeloan Road
Rutherglen
South Lanarkshire
G73 1DL

External Auditors

CT Audit Limited
Chartered Accountants &
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Internal Auditors

Wbg
168 Bath Street
Glasgow
G2 4TP

Finance Agents

FMD Financial Services Ltd
3 Clairmont Gardens
Glasgow
G3 7LW

Bankers

Bank of Scotland
82 Main Street
Rutherglen
South Lanarkshire
G73 2HZ

Solicitors

TC Young
7 West George Street
Glasgow
G2 1BA

Report of the Board of Management for the Year Ended 31 March 2025

The Board of Management presents its report and the Financial Statements for the year ended 31 March 2025.

Legal Status

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No.2029R(S). The Association is governed under its Rule Book. The Association is a registered Scottish Charity with the charity number SC041992.

Principal Activities

The Association's principal activity is the provision, management and maintenance of good quality, affordable rented housing. However, it also seeks to be 'more than a landlord' that provides "a home, not just a house". Over the past couple of years, it has therefore considered ways to develop positive and meaningful engagement with its services users and the communities it serves.

The Association recently considered its strategic objectives for the next 3 year and set these as;

- Proactively seek out and maximise opportunities to enhance the provision of high-quality homes and neighbourhoods
- Expand our presence and activities to grow our community regeneration and actively engage with our customers and communities to meet local needs and aspirations
- Value and develop all our people and celebrate success
- Continue to deliver robust financial performance and governance outcomes
- Continue to meet the goals of the Green Agenda/Net Zero

The permitted activities and powers of the Association will include anything which is necessary or expedient to help the Association achieve these objects.

Review of Business and Future Developments

Context

The Association is a community-based housing association in the Rutherglen and Cambuslang areas of South Lanarkshire. As at 31 March 2025, the Association owns 877 properties, part owns 8 shared ownership properties and provides factoring services for a further 937 properties. The Association also owns 35 lockups, 1 shop and the Aspire Business Centre. At 31 March 2025, the Association had a Board of Management made up of 12 elected members. Of the 12 members, 6 are tenants, 1 is a factored owner and 5 others have an interest in the Association.

Details of our Committee and our staff team are kept updated on our public website:

<https://www.randcha.co.uk/page/our-committee>

<https://www.randcha.co.uk/page/our-staff>

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

Like all businesses the Association has been looking at ways it can deliver cost savings and Value for Money and has carried out a number of reviews of its systems and processes as well as the staff structure to ensure they are efficient and effective.

Treasury Management

The Board takes a prudent approach to the financial affairs of the Association and retains close control of these. Investments are regularly reviewed to ensure that the Association achieves the best return in a climate of low interest rates, whilst spreading the risk of investments across institutions. The Board also keeps the Association's loan portfolio under review and monitors the impact of financial decisions on the loan covenant conditions that the Association is required to meet. The Association has not taken on any new debt during the year and has no plans for further borrowing at this time.

The Association, as a matter of policy, does not enter into transactions of a speculative nature. Surplus funds are managed carefully using long-established banks or building societies. The Treasury Management position of the Association is reviewed by the Board every quarter and the Treasury Management Policy is reviewed by the Board every three years.

Risk Management

The Association has implemented a formal, robust and proactive risk management process which is being further developed to reflect the Association's Business plan and support the achievement of its business objectives.

A key part of this process is the risk register that identifies the key risks, the real level of the risk and the control measures the Association has in place to mitigate or eliminate the impact of the risk. As part of the risk management process, the register was reviewed in February 2025 by the Board and Senior Staff Team to ensure both parties are fully aware of the risks the Association faces and be assured that these are being effectively managed.

Risks and Uncertainties

The Association recognises that it operates in a sector that is heavily influenced and impacted by the wider social, economic and political environment. It is therefore not immune to the current economic uncertainty and potentially faces a number of challenges such as:

- The cost of living crisis;
- Rises in interest rates;
- The impact of recent welfare reforms and possible further changes to the system;
- Limited access to grants and subsidies;
- Lower grants being awarded;
- Reduced number of lenders willing to lend to the sector;
- Higher loan margins and setup costs;
- High increases in insurance premiums
- Increased SHR and lenders monitoring;
- More onerous regulatory requirements; and
- More onerous and costly building standards.

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

Our top risk areas, post mitigation measures, are as detailed in the table below:

Ref	Strategic Objective	Risk	Risk Level
1	SO4	Level of Factoring Arrears cannot be recovered	16
2	SO1 SO4	Reduction in public services provided by South Lanarkshire Council & other external agencies	16
3	SO4	Impact of the introduction of more onerous housing quality standards and/or energy efficiency standards or net zero	16
4	SO4	Increased engagement with Scottish Housing Regulator/Failure to comply with Regulatory Standards	15
5	SO1 SO4	Adverse impact of the roll out of Universal Credit/further reforms to the Welfare Benefits system/End of Discretionary Payments	12
6	SO4	Failure to comply with landlord health and safety requirements	12
7	SO3	Failure to recruit new Board members	12
8	SO4	Rents become unaffordable	12
9	SO3	Inability to recruit quality, experienced staff	12

Meeting these and other challenges inherently entails risks for the Association and its ability to achieve its strategic vision and aims. Good, robust management of these risks is therefore an essential element of good governance and is an integral part of the Association's strategic and operational planning processes.

Financial Review

The Association needs to have reserves to ensure that the organisation can function into the future and meet its future liabilities, including the repair, maintenance, and replacement investment needs of its properties. In the year to 31 March 2025, the Association made a surplus of £389,974 (2024: £315,465). The Association reports an operating margin of 12.2% (2024: 18.7%). The main driver of the difference from the previous year was higher rental income coupled although higher expenditure and a loss on revaluation of the Aspire Business Centre have netted against this. Any surpluses that the Association makes are set aside within reserves for future business and works.

As at 31 March 2025, the Association has cash to the value of £3,191,760 and has loan debt at a value of £7,271,030 having paid £777,836 off its loan debt during the year. The bank base rate has decreased over the year, the Association has a mix of variable and fixed rate loans which has assisted with mitigating the financial impact of interest rate changes.

As at 31 March 2025, the Association has a net asset value position of £21,274,681 (this is the assumed net worth of the Association and is not a cash item).

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

Performance

Despite the challenges in the year, the Association continues to be a well performing organisation. At the end of March 2025:

- 40 homes had been let to households in housing need
- The average length of time taken to complete emergency repairs was 3.44 hours and 4.96 days for non-emergency repairs
- 100% of complaints had been resolved in full
- The time taken to re-let properties was 12.28days with 0.13% of rental income being lost due to properties being empty
- The gross rent arrears as a percentage of the annual rental income was 1.74%;
- 100% of anti-social behaviour cases had successfully been resolved;
- 92.9% of the Association stock complied with the SHQs

At the start of 2024 the Association carried out a comprehensive Tenants Satisfaction Survey and, whilst like many RSLs, noted a slight decrease in the levels of satisfaction reported in some areas, the percentage of tenants satisfied with the key services provided remains high.

Measure (Satisfied/Very Satisfied)	%
Overall service provided by the Association	90.6%
The Association keeping them informed about services and decisions	97.9%
The opportunities given to them to participate in the Association's decision-making processes	96.7%
The quality of their home	87.3%
The repairs and maintenance service	90.3%
Their rent representing good value for money	81.7%
The factoring service (owners)	71.7%

Staff Structure

Ongoing review of the staff structure and job descriptions remains a focus for the Board and Senior Staff team to ensure that the Association remains best prepared to:

- Meet any future challenges;
- Achieve its strategic objectives;
- Provide a modern, effective and efficient service; and
- Build on its reputation as a dynamic, vibrant and innovative organization
- Deliver Value for Money

Future Plans and Priorities

Business Plan

A new 3-year Business Plan has been developed covering the Association's plans for period 2025/2026 - 2027/2028.

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

Provision of New Housing

The Association is committed to providing more high quality, affordable housing to meet the increasing demand. Unfortunately, the Association took the decision to withdraw from a project to build 45 new flats and houses as, with the current financial and economic challenges including rising costs, limited government funding and uncertainty around interest rates, it represented too high a risk for the Association's long-term financial security.

However, the Association still has the ambition to develop new affordable housing and remains open to exploring any other opportunities for further development and/or acquisition although it will continue to take an extremely cautious and prudent approach to developing new homes at this time.

Internal Audit Services

After a fully compliant procurement exercise carried out jointly with another Association, Wbg (formerly Wylie and Bisset Ltd) was appointed as the Association's Internal Auditor for the period 2024/2025 – 2026/2027.

Owners Satisfaction Survey

A survey of the Association's factored owners was carried out at the start of the year to support and influence a full review and options appraisal of the factoring service.

Tenant & Resident Health & Safety

The Association sees the safety of tenants and resident as a priority and, in order to give tenants, residents, Board and other stakeholders the assurance that it is meeting, and where possible, exceeding the legal and regulatory requirements, carried a comprehensive review of its compliance on the key activities including Gas, Electrical, Legionella, Damp & Mould, Lifts and Fire Safety.

As part of that review new processes and systems were put in place to support ongoing compliance and validation.

Staff Succession

The staff team is recognised as being one of the Association's greatest assets but accepts that an individual's professional and personal plans, circumstances and priorities may mean that they move on from the organisation. Ensuring service continuity requires, as far as possible, planning for staff leaving or retiring.

Value for Money

Along with ensuring effective management of the Association's finances, the Board is committed to ensuring that value for money remains a top priority for the Association.

A Value for Money Policy and statement has been developed to demonstrate the Association's commitment to delivering cost effective and efficient services to all of our customers.

Rents

The collection of rental income and supporting tenants to make rent payments remain core activities for the Association, not just to ensure the Association has the funds to continue to provide services but also to support tenants manage their accounts and maintain their tenancy successfully.

Despite the challenges, including the cost-of-living crisis and the UK Government's Welfare Reforms, the Association continues to perform well in both rent collection and the level of arrears when compared against both its peer group and the Scottish average.

However, the Association very aware of the risk of rent becoming unaffordable in the future. Whilst the Association's rent for its smaller properties is amongst the lowest when compared to the peer group and Scottish average, those for the larger properties are considerably higher. The Association will therefore be undertaking a rent harmonisation exercise and review of the rent setting process during the year to ensure rents remain affordable and favourably comparable.

Tenant Engagement

Tenant involvement is crucial to the success of the Association and we are very grateful to our active residents for all the work they do with us.

We are committed to seeking new and innovative ways to engage with our residents and communities and to promote and encourage meaningful participation.

Donations and Wider Action

During the year the Association made charitable donations of £1,100 and spent £22,319 on tenant participation including competitions and events. It also commissioned work with the Tenant Participation Advisory Service (TPAS) to support develop its engagement activities.

Governance

The Board of Management understands that good governance is critical in ensuring the Association is a well performing organisation, protecting its long-term viability and providing the highest standard of service to its customers.

The Association is extremely fortunate to have a dedicated Committee of Management that has a wealth of experience in managing the Association by bringing a wide variety of skills, experience and knowledge that add to the organisation's strength and success.

In recognition of the regulatory requirements regarding the continuing effectiveness of the Board members, the Association carries out an annual appraisal of each member's skills and develops a training plan for the Committee members individually and collectively to ensure the Board remains skilled and knowledgeable.

The need to bring new ideas and skills to the Board is also recognised and the Association is committed to an ongoing programme of recruitment to attract new members onto the Board.

Following a review of the self-assessment exercise by the Board, the Association submitted its third Annual Assurance Plan that showed that it was compliant with the Regulatory Standards.

The Association continues to implement a programme of internal audits to provide the Board with the assurance that its operational policy and processes are effective.

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

Assurance

As part of the process of preparing its Annual assurance Statement for the Scottish Housing Regulator, the Association has carried out an external audit of its processes and reporting systems. The Association is continuing the work to deliver the Action Plan for improving Assurance.

Notifiable Events

The Association made two Notifiable Events Submissions in the year to advise of the retirement of the current Director and a Settlement Agreement it had entered in to. Both Notifiable Events were eclosed by the Scottish Housing Regulator.

Board of Management and Executive Officers

The Association is controlled by a Board of Management. The members of the Board and the Executive Officers are listed on page 2.

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

The members of the Committee of Management are also Trustees of the Charity. Members of the Board of Management are appointed by the members at the Association's Annual General Meeting or apply to fill casual vacancies in the year or take up co-optee places. The Committee of Management can be no fewer than 7 members and no more than 15, with no more than one third being co-optees.

Details of our current Committee are kept updated on our website at

<https://www.randcha.co.uk/page/our-committee>

Statement of Board of Management's Responsibilities

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

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

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

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

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

Disclosure of Information to the Auditor

In so far as the Board of Management are aware, at the time this report is approved:

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

Statement on Internal Financial Control

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

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

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

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the Board of Management to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable, and up to date financial and other information, with significant variances from budget being investigated as appropriate;

Report of the Board of Management for the Year Ended 31 March 2025 (Continued)

- regulatory returns are prepared, authorised, and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Board of Management;
- the Board of Management receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken; and
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

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

Auditors

CT Audit Limited were appointed in 2023 with the intention of undertaking audits for years ending 31 March 2023, 2024 and 2025. As such, subject to satisfactory audit work, a resolution to re-appoint the auditors CT Audit Limited will be proposed at the Annual General Meeting.

By order of the Board of Management



Frances Cunningham

Chairperson

Date: 19/08/25.

Report by the Auditors to the Members of Rutherglen and Cambuslang Housing Association Limited on Corporate Governance Matters for the Year Ended 31 March 2025

In addition to our audit of the Financial Statements, we have reviewed your statement on pages 10 and 11 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 on corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Controls on pages 10 and 11 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 our enquiry of certain members of the Board of Management and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Board of Management's Statement on Internal Financial Controls appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.



CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
Date: 25 August 2025

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2025

Opinion

We have audited the financial statements of Rutherglen and Cambuslang Housing Association Limited (the 'Association') for the year ended 31 March 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cashflows, the 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – 2024.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2025 (Continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board of Management are responsible for the other information. 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.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board of Management

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

Statement of Comprehensive Income for the Year Ended 31 March 2025

	Notes	2025 £	2024 £
REVENUE	2	4,913,726	4,700,232
Operating Costs	2	(3,920,850)	(3,820,995)
OPERATING SURPLUS		992,875	879,236
Interest Receivable and Other Income	7	71,835	50,744
Interest Payable and Similar Charges	8	(331,237)	(369,515)
Other Finance Charges	11	(21,000)	(9,000)
Loss on Revaluation of Investment Property	12 (b)	(392,500)	-
		(672,902)	(327,772)
SURPLUS FOR THE YEAR	9	319,974	551,465
Other comprehensive income			
Actuarial gains/(losses) on defined benefit Pension Plan	27	70,000	(236,000)
TOTAL COMPREHENSIVE INCOME		389,974	315,465

The Financial Statements were approved by the Board of Management, authorised for issue and signed on its behalf on 13 August 2025 by:

Name: 





Signature:



Committee Member



Committee Member



Secretary

The notes on pages 21 to 38 form part of these Financial Statements.

Independent Auditor's Report to the Members of Rutherglen and Cambuslang Housing Association Limited for the Year Ended 31 March 2025 (Continued)

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

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

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

Use of our report

This report is made solely to the association's members, as a body. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association, and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.



CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
Date: 25 August 2025

Statement of Financial Position as at 31 March 2025

	Notes	2025	2024
		£	£
NON-CURRENT ASSETS			
Housing Properties - Depreciated Cost	12 (a)	28,609,667	29,206,510
Other Non-current Assets	12 (b)	<u>973,858</u>	<u>1,354,518</u>
		29,583,525	30,561,027
INVESTMENTS			
Investment in Subsidiary	13	100	100
CURRENT ASSETS			
Receivables	16	663,881	718,718
Cash at bank and in hand		<u>3,191,760</u>	<u>2,466,302</u>
		3,855,642	3,185,020
CREDITORS: Amounts falling due within one year	17	<u>(1,889,859)</u>	<u>(1,721,494)</u>
NET CURRENT ASSETS		<u>1,965,783</u>	<u>1,463,527</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		31,549,408	32,024,654
CREDITORS: Amounts falling due after more than one year	18	(6,586,444)	(7,330,506)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES			
Scottish Housing Association Pension Scheme	27	(382,000)	(431,000)
DEFERRED INCOME			
Social Housing Grants	20	<u>(3,306,283)</u>	<u>(3,378,447)</u>
NET ASSETS		<u>21,274,681</u>	<u>20,884,701</u>
EQUITY			
Share Capital	21	67	61
Revenue Reserves		<u>21,274,614</u>	<u>20,884,640</u>
		<u>21,274,681</u>	<u>20,884,701</u>

The Financial Statements were approved by the Board of Management, authorised for issue and signed on its behalf on 13 August 2025 by:

Name: [Redacted]

Signature: [Redacted]

Committee Member

Name: [Redacted]

Signature: [Redacted]

Committee Member

Name: [Redacted]

Signature: [Redacted]

Secretary

The notes on pages 21 to 38 form part of these Financial Statements.

Statement of Cash Flows for the Year Ended 31 March 2025

	Notes	2025	2024
		£	£
Net cash inflow from operating activities	19	2,108,982	1,474,631
Investing Activities			
Interest Receivable and Other Income	71,835	50,744	
Improvements to Housing Properties	(302,035)	(61,665)	
Purchase of Other Fixed Assets	(41,439)	(9,007)	
Stage 3 Medical Adaptation Grant Capitalised	18,182	-	
Proceeds on Disposal of Property, Plant and Equipment	-	-	
Net cash outflow from investing activities		(253,457)	(19,928)
Financing Activities			
Interest Payable and Similar Charges	(352,237)	(378,515)	
Loan Principal Repayments	(777,836)	(707,870)	
Share Capital Issued	6	4	
Net cash outflow from financing activities		(1,130,067)	(1,086,382)
Increase in cash		725,459	368,321
Opening Cash & Cash Equivalents		<u>2,466,302</u>	<u>2,097,980</u>
Closing Cash & Cash Equivalents		<u>3,191,760</u>	<u>2,466,302</u>
Cash and Cash equivalents as at 31 March			
Cash		<u>3,191,760</u>	<u>2,466,302</u>

The notes on pages 21 to 38 form part of these Financial Statements.

Statement of Changes in Equity as at 31 March 2025

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2023	157	20,569,175	20,569,332
Issue of Shares	4	-	4
Cancellation of Shares	(100)	-	(100)
Other comprehensive income	-	(236,000)	(236,000)
Surplus for the year	-	551,465	551,465
Balance as at 31 March 2024	61	20,884,640	20,884,701
Balance as at 1 April 2024	61	20,884,640	20,884,701
Issue of Shares	6	-	6
Cancellation of Shares	-	-	-
Other comprehensive income	-	70,000	70,000
Surplus for the year	-	319,974	319,474
Balance as at 31 March 2025	67	21,274,614	21,274,681

The notes on pages 22 to 39 form part of these Financial Statements.

Notes to the Financial Statements for the Year Ended 31 March 2025

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for social housing providers 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2015.

Going Concern

The Board of Management are continually developing and implementing mitigating actions and processes to ensure that the Association continues to function and manage future operations and those of its workforce and stakeholders. The Board of Management is satisfied of the Association's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Revenue

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

Government Grants are released to income over the expected useful life of the asset to which it relates.

Retirement Benefits

The Association participates in the Scottish Housing Associations Defined Benefit Pension Scheme where retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102. The Association also participates in the Scottish Housing Associations Defined Contribution scheme as the defined benefit scheme is closed to new members. Contributions to defined contribution plans are recognised as employee benefit expense when they are due.

Valuation Of Housing Properties

Housing Properties are stated at cost less accumulated depreciation. Housing under construction and land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 12(a). Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	Useful Economic Life
Bathroom	20 Years
Boiler	15 Years
External Doors	40 Years
Kitchen	15 Years
Radiators	15 Years
Roof	50 Years
Structure	60 Years
Windows	40 Years
Rewiring	40 Years

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Valuation Of Investment Properties

The investment properties are held at market value and no depreciation is therefore charged.

Depreciation and Impairment of Other Non-Current Assets

Other non-current assets costing £250 or more are capitalised and stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Asset Category	Depreciation Rate
Office Premises	2%
Furniture and Equipment	33%

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

Social Housing Grant and Other Grants in Advance/Arrears

Social Housing Grants and Other Capital Grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which it relates.

Social Housing Grant attributed to individual components is written off to the Statement of Comprehensive Income when these components are replaced.

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

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

Sales Of Housing Properties

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

Leases/Leased Assets

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

Works to Existing Properties

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties

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

b) Pension Liability

The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. This year the Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has adopted this valuation method in line with FRS102.

Financial Instruments - Basic

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

Estimation Uncertainty

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

a) Rent Arrears - Bad Debt Provision

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

b) Life Cycle of Components

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

c) Useful life of properties, plant, and equipment

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

d) Defined pension liability

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

e) Allocation of share of assets and liabilities for multi-employer schemes

Judgements in respect of the assets and liabilities to be recognised are based upon source information provided by administrators of the multi-employer pension schemes and estimations performed by the Pensions Trust.

f) Split of office premises and investment property

Part of the Aspire Business Centre, which is owned by the Association, is used by the Association for its offices with part rented out to third parties at commercial rates. Under FRS 102, the part of the building used by the Association for offices must be accounted for as a tangible fixed asset and depreciated whilst the part of the building rented out must be accounted for as an investment property and held at market value. The Management Committee have based this split on the square footage of the building with 40.8% used by the Association and 59.2% rented to third parties and thus treated as an investment property.

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

	Notes	2025			2024		
		Turnover £	Operating Costs £	Operating Surplus / (Deficit) £	Turnover £	Operating Costs £	Operating Surplus / (Deficit) £
Affordable letting activities	3	4,637,560	3,581,062	1,056,499	4,457,434	3,480,546	976,888
Other Activities	4	276,166	339,789	(63,623)	242,798	340,449	(97,651)
Total		4,913,726	3,920,850	992,875	4,700,232	3,820,995	879,236

3. PARTICULARS OF INCOME & EXPENDITURE FROM AFFORDABLE LETTING ACTIVITIES

	General Needs Housing £	Supported Housing £	Shared Ownership £	2025 Total £	2024 Total £
Revenue from Lettings					
Rent receivable	4,463,239	70,118	20,132	4,553,489	4,335,118
Gross income from rent and service charges	4,463,239	70,118	20,132	4,553,489	4,335,118
Less: Rent losses from voids	(8,092)	-	-	(8,092)	(7,234)
Net Rents Receivable	4,455,147	70,118	20,132	4,545,397	4,327,884
Grants released from deferred income	89,089	-	1,256	90,345	89,436
Other revenue grants	1,818	-	-	1,818	40,114
Total turnover from affordable letting activities	4,546,055	70,118	21,388	4,637,560	4,457,434
Expenditure on affordable letting activities					
Management and maintenance administration costs	1,778,402	1,188	1,607	1,781,196	1,447,754
Planned and cyclical maintenance, including major repairs	132,064	14,741	542	147,347	468,655
Reactive maintenance costs	721,081	19,920	343	741,344	696,209
Bad Debts - rents and service charges	12,298	-	-	12,298	11,069
Depreciation of affordable let properties	887,403	8,036	3,437	898,877	856,859
Operating costs of affordable letting activities	3,531,248	43,885	5,929	3,581,062	3,480,546
Operating surplus on affordable letting activities	1,014,807	26,233	15,459	1,056,499	976,888
2024	915,891	45,884	15,113		

4. PARTICULARS OF REVENUE, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES									
	Grants from Scottish Ministers	Other Revenue Grants	Other Income	Total Turnover	Operating Costs	Operating Surplus / (Deficit) 2025	Operating Surplus / (Deficit) 2024		
			£	£	£	£	£		£
Commercial activities	-	-	109,940	109,940	108,703	1,237	(18,635)		
Factoring	-	-	165,725	165,725	223,035	(57,310)	(70,821)		
Wider role activities	-	-	-	-	8,050	(8,050)	(8,696)		
Management charge to subsidiary	-	-	500	500	-	500	500		
Total From Other Activities	-	-	276,166	276,166	339,789	(63,623)	(97,651)		
2024	-	-	242,798	242,798	340,449	(97,651)			

5. OFFICERS' EMOLUMENTS

The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board of Management, managers, and employees of the Association.

	2025	2024
	£	£
Aggregate Emoluments payable to Officers with Emoluments greater than £60,000 (excluding Pension Contributions)		
Gross Pay	259,126	136,307
Employer's National Insurance	<u>28,793</u>	<u>16,127</u>
Total	<u>287,919</u>	<u>152,433</u>
Pension contributions made on behalf of Officers with emoluments greater than £60,000	<u>34,179</u>	<u>20,287</u>
Emoluments payable to Director (excluding pension contributions)		
Gross Pay	81,802	77,475
Employer's National Insurance	<u>10,033</u>	<u>9,436</u>
Total	<u>91,835</u>	<u>86,911</u>
Total Emoluments paid to key management personnel		
Gross Pay	250,770	292,628
Employer's National Insurance	29,276	33,342
Employer Pension Contributions	<u>36,557</u>	<u>43,423</u>
Total	<u>316,602</u>	<u>369,393</u>

The full time equivalent number of staff who received remuneration (including employer pension contributions) greater than £60,000 (including the executive team):

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

6. EMPLOYEE INFORMATION

	2025	2024
	No.	No.
The average monthly number of full time equivalent persons employed during the year was:	<u>17</u>	<u>18</u>
The average total number of Employees employed during the year was:	<u>17</u>	<u>18</u>
Staff Costs were:	£	£
Wages and Salaries	751,089	699,922
Social Security Costs	72,963	66,642
Other Pension Costs	86,824	87,185
Temporary, Agency and Seconded Staff	<u>58,391</u>	<u>67,388</u>
	<u>969,267</u>	<u>921,137</u>

7. INTEREST RECEIVABLE & OTHER INCOME

	2025	2024
	£	£
Interest receivable on deposits	63,221	42,067
Interest receivable on loan to subsidiary	<u>8,614</u>	<u>8,677</u>
	<u>71,835</u>	<u>50,744</u>

8. INTEREST PAYABLE & SIMILAR CHARGES

	2025	2024
	£	£
On Bank Loans	<u>(331,237)</u>	<u>(369,515)</u>

9. SURPLUS FOR THE YEAR

	2025	2024
	£	£
Surplus For The Year of £389,974 is stated after charging/(crediting):		
Depreciation - Tangible Owned Fixed Assets	928,475	877,981
Auditors' Remuneration - Audit Services	18,360	17,400
Operating Lease Rentals - Other	17,782	23,312

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

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

11. OTHER FINANCE INCOME / CHARGES

	2025	2024
	£	£
Defined Benefit Pension (costs)/income Recognised in SOCI	<u>(21,000)</u>	<u>9,000</u>

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting	Shared Ownership Completed	Total
	£	£	£
COST			
As at 1 April 2024	35,538,196	206,226	35,744,422
Additions	302,035	-	302,035
Disposals	<u>(59,893)</u>	<u>-</u>	<u>(59,893)</u>
As at 31 March 2025	35,780,338	206,226	35,986,564
DEPRECIATION			
As at 1 April 2024	6,446,556	91,356	6,537,912
Charge for Year	855,773	3,437	859,210
Disposals	<u>(20,027)</u>	<u>-</u>	<u>(20,027)</u>
As at 31 March 2025	7,282,302	94,794	7,377,096
NET BOOK VALUE			
As at 31 March 2025	<u>28,498,035</u>	<u>111,433</u>	<u>28,609,468</u>
As at 31 March 2024	<u>29,091,640</u>	<u>114,870</u>	<u>29,206,510</u>

Additions to housing properties include capitalised major repair costs to existing properties of £302,035 (2024: £61,665).

All land and housing properties are heritable.

Total expenditure on existing properties in the year amounted to £970,466 (2024: £1,068,107). This includes the amount capitalised for component additions of £302,035 (2024: £61,665).

The Association's Lenders have standard securities over Housing Property with a carrying value of £22,731,431 (2024: £23,144,510).

12. NON CURRENT ASSETS (Continued)

(b) Other Tangible Assets		Office Premises	Investment Properties	Furniture and Equipment	Total
		£	£	£	£
COST					
As at 1 April 2024		530,000	930,000	232,335	1,692,335
Additions		-	-	41,439	41,439
Disposals		-	-	(93,882)	(93,882)
Revaluation		(146,480)	(246,020)	-	(392,500)
As at 31 March 2025		383,520	683,980	179,893	1,247,393
AGGREGATE DEPRECIATION					
As at 1 April 2024		116,600	-	221,217	337,817
Charge for year		7,670	-	21,928	29,599
Disposals		-	-	(93,882)	(93,882)
As at 31 March 2025		124,270	-	149,264	273,535
NET BOOK VALUE					
As at 31 March 2025		<u>259,250</u>	<u>683,980</u>	<u>30,628</u>	<u>973,858</u>
As at 31 March 2024		<u>413,400</u>	<u>930,000</u>	<u>11,118</u>	<u>1,354,518</u>

The fair value, as at 31 March 2025, of the Aspire Business Centre was £940,000 (2024: £1,300,000). This is based on a valuation performed by DM Hall on 31 January 2025. 40.8% of the Aspire Business Centre is used by the Association and is accounted for as office premises at historic (deemed) cost. The remaining 59.2% of the Aspire Business Centre is available for rent to 3rd parties and is accounted for as an investment property. The investment properties balance also includes £32,500 for 1 shop (2024: 1 shop at £35,000) and £95,000 for 35 lockups (2024: 35 lockups at £125,000). The shops and lockups were valued by JLL on 31 January 2025.

13. INVESTMENT IN SUBSIDIARY

	2025	2024
	£	£
Shares in subsidiary company	<u>100</u>	<u>100</u>

Aspire Community Development Company Limited is a wholly owned subsidiary which was incorporated in Great Britain on 27 August 1999 and is registered in Scotland. The 2024-25 subsidiary company accounts show a loss for the year of £38,025 (2024: profit of £22,172) and net assets of £248,203 (2024: £286,228).

14. CAPITAL COMMITMENTS

	2025	2024
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the Financial Statements	<u>219,057</u>	<u>-</u>

The above commitments will be financed by the Association's own resources.

15. COMMITMENTS UNDER OPERATING LEASES

	2025	2024
	£	£
At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:		
Other		
Not later than one year	13,159	19,909
Later than one year and not later than five	2,772	10,471

16. RECEIVABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Arrears of Rent & Service Charges	76,327	73,529
Less: Provision for Doubtful Debts	<u>(20,354)</u>	<u>(21,058)</u>
	55,973	52,471
Amounts Due From Subsidiary	347,608	346,858
Other Receivables	<u>260,300</u>	<u>319,389</u>
	<u>663,881</u>	<u>718,718</u>

17. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Housing Loans	684,586	718,360
Trade Payables	56,820	136,231
Rent Received in Advance	202,087	204,927
Accruals and Deferred Income	346,446	130,498
Other Payables	<u>599,921</u>	<u>531,478</u>
	<u>1,889,859</u>	<u>1,721,494</u>

At 31 March 2025, there were pension contributions outstanding of £nil (2024: £12,200).

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

	2025	2024
	£	£
Housing Loans	6,586,444	7,330,506
Housing Loans		
Amounts due within one year	684,586	718,360
Amounts due in one year or more but less than two years	694,852	695,017
Amounts due in two years or more but less than five years	3,082,295	3,535,598
Amounts due in more than five years	<u>2,809,298</u>	<u>3,099,891</u>
	7,271,030	8,048,866
Less: Amount shown in Current Liabilities	<u>(684,586)</u>	<u>(718,360)</u>
	<u>6,584,444</u>	<u>7,330,506</u>

18. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

The Association has a number of long-term housing loans, the terms and conditions of which are as follows:

Lender	Number of Properties Secured	Effective Interest Rate	Maturity (Year)	Variable / Fixed
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 0.75%	2027	Variable
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 0.75%	2027	Variable
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 1.75%	2029	Variable
Bank of Scotland	Standard security over Standard security over 147 properties	Base + 1.93%	2028	Variable
Nationwide Building Society	Standard security over Standard security over 125 properties	Base + 0.5%	2028	Variable
Nationwide Building Society	Standard security over Standard security over 125 properties	Base + 0.7%	2034	Variable
Nationwide Building Society	Standard security over Standard security over 125 properties	Base + 0.7%	2034	Variable
Royal Bank of Scotland	Standard security over Standard security over 249 properties	2.3832%	2040	Fixed
Royal Bank of Scotland	Standard security over Standard security over 249 properties	Base + 1.571%	2027	Variable
Royal Bank of Scotland	Standard security over Standard security over 249 properties	2.557%	2027	Fixed
Royal Bank of Scotland	Standard security over Standard security over 249 properties	2.610%	2030	Fixed
Virgin Money	Standard security over Standard security over 112 properties	Base + 0.45%	2027	Variable
Virgin Money	Standard security over Standard security over 112 properties	Base + 0.45%	2034	Variable

All of the Association's loans are repayable on a monthly or quarterly basis with the principal being amortised over the term of the loans except for one Bank of Scotland and two Royal Bank of Scotland loans which have bullet repayments, the intention of the Association is to refinance these loans in advance of the bullet repayments falling due.

19. STATEMENT OF CASH FLOWS
Reconciliation of surplus for the year to net cash inflow from operating activities

	2025	2024
	£	£
Operating Surplus for the year	992,875	879,236
Amortisation of Capital Grants	(90,345)	(89,436)
Depreciation	928,475	877,981
Change in debtors	54,837	(91,049)
Change in stock	-	-
Change in creditors	223,140	(102,001)
SHAPS Past Service Deficit Contribution Paid	-	-
Share Capital Written Off	-	(100)
Net cash inflow from operating activities	<u>2,108,982</u>	<u>1,474,631</u>

Analysis of Changes in Net Debt

	2024	Cash flows	Non-cash changes	2025
	£	£	Finance leases	Other changes
Long-term borrowings	(7,330,506)	777,836	-	(33,774)
Short-term borrowings	(718,360)	-	-	33,774
Total liabilities	<u>(8,048,866)</u>	<u>777,836</u>	<u>-</u>	<u>(7,271,030)</u>
Cash and cash equivalents	<u>2,466,302</u>	<u>725,459</u>	<u>-</u>	<u>3,191,760</u>
Total net debt	<u>(5,582,564)</u>	<u>1,503,295</u>	<u>-</u>	<u>(4,079,269)</u>

20. DEFERRED INCOME			
	Housing Properties Held for Letting £	Shared Ownership Completed £	Total £
Social Housing Grants			
As at 1 April 2024	3,762,423	75,363	3,837,786
Additions	18,182	-	18,182
Eliminated on disposal of components and property	-	-	-
As at 31 March 2025	3,780,605	75,363	3,855,968
Amortisation			
As at 1 April 2024	427,310	32,029	459,339
Amortisation in year	89,089	1,256	90,435
Eliminated on disposal	-	-	-
As at 31 March 2025	516,399	33,285	549,685
Net book value			
As at 31 March 2025	<u>3,264,206</u>	<u>42,078</u>	<u>3,306,283</u>
As at 31 March 2024	<u>3,335,113</u>	<u>43,334</u>	<u>3,378,447</u>

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

	2025 £	2024 £
Amounts due within one year	90,345	89,436
Amounts due in one year or more	<u>3,215,938</u>	<u>3,289,011</u>
	<u>3,306,283</u>	<u>3,378,447</u>

21. SHARE CAPITAL		
Shares of £1 each Issued and Fully Paid	2025	2024
	£	£
As at 1 April 2024	61	157
Issued in year	6	4
Cancelled in year	-	(100)
As at 31 March 2025	<u>67</u>	<u>61</u>

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

22. HOUSING STOCK

	2025 No.	2024 No.
The number of units of accommodation in management at the year-end was:		
General Needs	873	873
Shared Ownership	8	8
Supported Housing	<u>2</u>	<u>2</u>
	<u>883</u>	<u>883</u>
Housing Units owned by the Association and leased to another body:		
Name of Organisation		
The Richmond Fellowship Scotland Limited	1	1
SRS Care Solutions Limited	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

23. RELATED PARTY TRANSACTIONS

Board of Management

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

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

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

	2025 £	2024 £
Rent received from tenants on the Board of Management and their close family members	44,311	27,535
Income received from factored owners on the Board of Management and their close family members	871	553

At the year-end total rent arrears owed by the tenant members on the Board of Management (and their close family) were £nil (2024: £178).

At the year-end total arrears owed by the factored owner members on the Board of Management (and their close family) were £177 (2024: £nil).

	2025	2024
Members of the Board of Management who are tenants	6	6
Members of the Board of Management who are factored owners	1	1

Aspire Community Development Company Limited

Aspire Community Development Company Limited ('Aspire') is a wholly owned subsidiary of Rutherglen and Cambuslang Housing Association Limited ('the Association').

The Association rented out rooms in the Caledonian Centre in the year, generating income of £nil (2024: £nil) for Aspire.

23. RELATED PARTY TRANSACTIONS (continued)

Management charges of £500 (2024: £500) were recharged to Aspire by the Association for services rendered by the Director of the Association in respect of Aspire.

£6,636 (2024: £4,894) of insurance costs incurred by the Association in relation to the Caledonian Centre were recharged to Aspire.

Aspire reimbursed the Association for invoices paid on its behalf totalling £233 (2024: £nil).

At 31 March 2025, £347,608 (2024: £346,858) was owed to the Association from Aspire.

£8,614 (2024: £8,677) in interest was charged by the Association on the balance due from Aspire.

Aspire also made loan repayments to the Association of £15,233 (2024: £15,000).

24. DETAILS OF ASSOCIATION

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

The Association's principal place of business is Aspire Business Centre, 16 Farmeloan Road, Rutherglen, South Lanarkshire, G73 1DL.

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

25. BOARD OF MANAGEMENT MEMBER EMOLUMENTS

Board of Management members received £71 (2024: £777) in the year by way of reimbursement of expenses. No remuneration is paid to Board of Management members in respect of their duties to the Association.

26. SHAPS PENSION PROVISION

	2025	2024
	£	£
As at 1 April 2024	(431,000)	(186,000)
Decrease/(increase) in Provision	49,000	(155,000)
Balance as at 31 March 2025	<u>(382,000)</u>	<u>(431,000)</u>

The pension provision is equal to the deficit in the plan, arrived at by deducting the present value of defined benefit obligation from the fair value of plan assets – as detailed at note 27.

In the year to 31 March 2025, the deficit in the plan has increased due to the impact of actuarial losses on the defined benefit obligation.

27. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Associations' Pension Scheme

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

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5m. A new Recovery Plan has been put in place with deficit contributions to restart from April 2026 for the following four years.. The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive. The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset (liability)

	2025	2024
	£000	£000
Fair value of plan assets	2,836	3,121
Present value of defined benefit obligation	<u>3,218</u>	<u>3,552</u>
Surplus (deficit) in plan	(382)	(431)
Unrecognised surplus	—	—
Defined benefit asset (liability) to be recognised	(382)	(431)
Deferred tax	—	—
Net defined benefit asset (liability) to be recognised	<u>(382)</u>	<u>(431)</u>

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	2025	2024
	£000	£000
Defined benefit obligation at start of period	3,552	3,387
Current service cost	-	-
Expenses	6	5
Interest expense	171	162
Member contributions	-	-
Actuarial losses (gains) due to scheme experience	44	161
Actuarial losses (gains) due to changes in demographic assumptions	-	(20)
Actuarial losses (gains) due to changes in financial assumptions	(431)	(21)
Benefits paid and expenses	(124)	(122)
Liabilities acquired in a business combination	-	-
Liabilities extinguished on settlements	-	-
Losses (gains) on curtailments	-	-
Losses (gains) due to benefit changes	-	-
Exchange rate changes	—	—
Defined benefit obligation at end of period	<u>3,218</u>	<u>3,552</u>

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)
Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	2025 £000	2024 £000
Fair value of plan assets at start of period	3,121	3,201
Interest income	1530	153
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(317)	116)
Employer contributions	6	5
Member contributions	-	-
Benefits paid and expenses	(124)	(122)
Assets acquired in a business combination	-	-
Assets distributed on settlements	-	-
Exchange rate changes	-	-
Fair value of plan assets at end of period	-	-
Fair value of plan assets at start of period	<u>2,836</u>	<u>3,121</u>

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was (£167,000).

Defined Benefit Costs Recognised in Statement of Comprehensive Income (SOCl)

	2025 £	2024 £
Current Service Cost	-	-
Expenses	6	5
Net Interest Expense	21	9
Losses (Gains) on Business Combinations	-	-
Losses (Gains) on Settlements	-	-
Losses (Gains) on Curtailments	-	-
Losses (Gains) due to Benefit Changes	-	-
Defined Benefit Costs Recognised in Statement of Comprehensive Income (SOCl)	<u>27</u>	<u>14</u>

Defined benefit costs recognised in Other Comprehensive Income (OCI)

	2025 £	2024 £
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(317)	(116)
Experience gains and losses arising on the plan liabilities - gain (loss)	(44)	(161)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-	20
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	<u>431</u>	<u>21</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	70	(236)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-	-
Total amount recognised in Other Comprehensive Income - gain (loss)	<u>70</u>	<u>(236)</u>

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Actuarial gain/(loss) is a non-cash item that occurs due to changes in actuarial assumptions used by The Pensions Trust (TPT) for the Scottish Housing Associations' Pension Scheme (SHAPS). This figure can be subject to significant change year on year.

Fair Value of Scheme Assets

	2025	2024
	£000	£000
Global Equity	328	359
Absolute Return	-	140
Distressed Opportunities	-	115
Credit Relative Value	-	110
Alternative Risk Premia	-	112
Liquid Alternatives	522	-
Emerging Markets Debt	-	55
Risk Sharing	-	187
Insurance-Linked Securities	11	19
Property	140	132
Infrastructure	1	299
Private Equity	2	-
Real Assets	338	-
Private Debt	-	2
Opportunistic Illiquid Credit	-	126
Private Credit	354	-
Credit	121	-
Investment Grade Credit	130	-
High Yield	-	124
Opportunistic Credit	-	1
Cash	15	-
Corporate Bond Fund	-	81
Long Lease Property	1	-
Secured Income	66	23
Over 15 Year Gilts	-	104
Liability Driven Investment	798	1,129
Currency Hedging	5	(1)
Net Current Assets	<u>4</u>	<u>4</u>
Total Assets	<u>2,836</u>	<u>3,121</u>

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.

27. RETIREMENT BENEFIT OBLIGATIONS (Continued)**Key Assumptions**

	2025	2024
	% p.a.	% p.a.
Discount Rate	5.85%	4.90%
Inflation (RPI)	3.09%	3.15%
Inflation (CPI)	2.79%	2.78%
Salary Growth	3.79%	3.78%
Allowance for commutation of pension for cash at retirement (% of maximum allowance)	75%	75%

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies at age 65:

	2025	2024
	Years	Years
Male retiring in-year	20.2	20.2
Female retiring in-year	22.7	22.7
Male retiring in 30 years	21.5	21.4
Female retiring in 30 years	24.2	24.1

Review of Historic Scheme Benefit Changes

In May 2021 the Scheme Trustee (TPT Retirement Solutions) notified employers of a review of historic scheme benefit changes, and this review has raised legal questions regarding whether and when some historic benefit changes should take effect, the outcome of which could give rise to an increase in liabilities for some employers. The Scheme Trustee has determined that it is prudent to seek clarification from the Court on these items, and a date for this has now been set for 2025.

On 4 May 2022, the Scheme Trustee issued an update to employers which included an estimate of the potential additional liabilities at the full scheme level, on a Technical Provisions basis. However, until Court directions are received, it is not possible to calculate the impact on an individual employer basis with any accuracy. As a result of this, no provision will be made for the potential additional liabilities within the financial statements or the related accounting disclosures included in this note.

