AZETS

YORKHILL HOUSING ASSOCIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

Registered with the Financial Conduct Authority
Co-operative and Community Benefit Societies Act 2014 No. 02302RS

Registered Housing Association - Housing (Scotland) Act 2010 Registered Number HCB 209
Registered Scottish Charity Number SC040346

YORKHILL HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE, EXECUTIVES AND PROFESSIONAL ADVISORS

Management committee	
Y Alexis	Chairperson
M Ralph	Vice Chair
B Docherty	Secretary
Dr M Green	Treasurer
C Armstrong	
J Wilson	
N McPherson	Resigned 13 October 2025
B Hanley	Resigned 9 October 2025
R Toner – casual member	Appointed 11 December 2025
M Chang	Resigned 15 December 2025
P Braat	Resigned 6 June 2025
D de Croy	Resigned 8 April 2025
G Matlu	Resigned 12 May 2025
E Hunter – co opted	Appointed 12 June 2025, resigned 7 October 2025
J Xu	Appointed 8 September 2025
C Mearns - co opted	Appointed 13 November 2025
M Hughes – casual member	Appointed 12 February 2026
J Fleming - co opted	Appointed 12 February 2026
A Millar - co opted	Appointed 12 February 2026
Executive officers	
Antony Mallaghan	Chief Executive
Gary Watson	Finance Manager
Robert Calvert	Property Services Manager
Grant Kennedy	Deputy Chief Executive
Jacqueline Stirling	Factoring Manager

Registered Office
1271 Argyle Street
Glasgow
G3 8TH

External Auditor
Azets Audit Services
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Internal Auditor
Wbg
168 Bath Street
Glasgow
G2 4TP

Solicitors
TC Young & Son
7 West George Street
Glasgow
G2 1BA

Bankers
Bank of Scotland
258/262 Dumbarton Road
Glasgow
G11 6TU

YORKHILL HOUSING ASSOCIATION LIMITED

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REPORT OF THE MANAGEMENT COMMITTEE (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2026

The Management Committee present their report (incorporating the Strategic Report) and the financial statements for the year ended 31 March 2026.

Principal Activities
The principal activities of the Association include:

- Provision and management of rented accommodation (472); and
- Management of properties on behalf of other owners. (493).

The results for the year are set out in the Statement of Comprehensive Income on page 12. The surplus has been added to the reserves brought forward.

The Association carries out an annual review each year to look to the future of the organisation and to prepare a 1–3-year future plan. The senior management team then progress the plan and the Finance Manager prepares budgets and cash flows to ensure the financial viability and stability of the plan. A strategy review was completed in the summer of 2026 and a 5-year business plan was produced and will be approved by committee setting out Yorkhill's VISION for 2026-2031.

Key objectives within the current plan include:

- **Wider Role-** Several wider role projects have been carried out or are being instigated. We are continuing to work with Community Links Scotland to secure funding for a Community Development Officer to help develop the Overnewton Community Centre as a string Community Asset that will in future be self-funding.

- **Capital works-** We have secured £495,000 in funding from the Scottish Enterprise Scotland Can Do Innovation Green Heat Retrofit Innovation Challenge fund to install a green heating source for Overnewton Court. This is an innovative solution that has been found to future proof the retirement housing, meet sustainable targets and reduce tenants' bills.

- **Road to 500-** We have ambitious aims to increase our stock size to a total of 500 homes by the end of the five-year VISION. This will come from acquisitions, redevelopment of existing stock, and where possible through development and/or purchasing of new build homes. The Association acquired 5 properties in the year under the Glasgow Affordable Housing supply programme including one Compulsory Purchase Order.

- **Assurance** – Regulatory compliance is a key principle of the Association's purpose and business planning. The Association has an Assurance Evidence Bank which is reviewed annually to ensure the annual Assurance Statement is supported by updated documentary evidence. Compliance with SHR's Regulatory Standards is demonstrated by a wide range of documents, including internal and external reports, policy documents, minutes, and training records. Our Management Committee receive regular updates and training on compliance issues to ensure they remain in control of the organisation.

- **Customer Engagement** – The Association continues to expand the customer engagement and has increased the use of text surveys, online surveys etc to complement the traditional methods. We have implemented a new website with a customer portal, allowing residents to access many of our services online. We will encourage customer engagement through this new website and portal to ensure we listen to our customers.

- **Policy Review Schedule** – During 2025/26 the Management Committee ensured its policy review schedule was kept up to date to assist ongoing compliance with legal and regulatory obligations and good practice. Brand new policies on Domestic Abuse, Customer Experience and Damp, Mould and Condensation alongside reviews of our policies on Adaptations, Gas Safety, Stress Management, Recruitment, Unacceptable Behaviour, Equality, Diversity and Inclusion, Complaints Handling and Entitlements, Payments and Benefits.

- **Affordability** – The Management Committee is committed to providing homes and services at affordable rent levels for tenants. Value markers are used to monitor financial efficiencies to ensure affordable rent levels do not compromise organisational viability. Senior staff and committee members regularly monitor financial plans.

- **Freedom of Information Act and GDPR UK**– The Association received 6 FOI, 11 EIRS, 3 SAR requests and 1 erasure request during 2025/26. A quarterly activity and performance report is produced for the Governance and Finance Sub-Committee to assure members that full compliance with the provisions of the legislation is being maintained. Staff have received refresher training to maintain knowledge and awareness of the organisation's legal obligations.

- **Internal Audit** – During 2025/26, audits were completed on Complaints Handling, Rent Setting, Void Management and Reactive Maintenance, in addition to a follow-up audit to check progress on outstanding actions from the previous year's audits. An audit plan for 2026/27 was approved at the March Committee.

- **Implementation of new web site** - The Association implemented updates to the business system in 25/26 as part of the wider digital transformation strategy. The contractor and tenant portals have been developed along with a portal for Committee members to access Committee information.

- **Working Groups** – these have been set up to ensure a focus on strategic initiatives. At present there are three; one each on the Overnewton Centre, Mid-Market rent and AI.

Risk and uncertainties

All risk registers were updated in accordance with the Association's Risk Management Policy. Specific risk assessments were undertaken in relation to:

- Finance
- Governance
- IT
- FOI/GDPR
- Maintenance
- Factoring
- Health and Safety including Working at Heights
- Operational Health and Safety Risks – Manual Handling and Occupational Driving
- Harassment
- Lone Working
- Stress

Financial and non-financial key performance indicators

The Association's current business plan will cover a 5- year period and follows 6 strategic objectives, known as Yorkhill's VISION:

- **Visible in the community:** We currently operate, but do not own, the Community Centre on Overnewton Street, providing a valuable space for local activities and services. Through our strong relationships with contractors, we have benefited from significant community benefit support, with partners contributing substantial works at no cost to help bring the building up to a more usable and welcoming standard. We are exploring funding opportunities to create a Community Development Officer role, focused on increasing the use of the centre by building partnerships with local organisations and service providers.

- **Inclusive and fair:** We are committed to ensuring that our services are fair, inclusive and accessible to all. This includes delivering our Allocations Policy in a transparent and consistent way, ensuring that housing is allocated based on need and that decisions are made fairly and without bias.
  We take a proactive approach to supporting our tenants through our Tenancy Services Assistant role. Every tenant is contacted regularly to identify any support needs at an early stage, helping to prevent issues from escalating.

- **Safe and secure homes:** We recognise the ongoing cost of living pressures facing our tenants and the wider community, particularly in an area where income levels remain relatively low. We continue to improve the energy efficiency of our homes, supporting lower energy costs while preparing for future regulatory requirements. This includes exploring innovative solutions, such as the introduction of a combined air source heat pump and solar panel system within our retirement complex, aimed at reducing energy costs for some of our most vulnerable tenants.

- **Investing in our future:** We are transforming how we work to become a more modern, efficient and customer-focused organisation. We are strengthening our organisational identity through a refreshed website, customer portal, and Customer Experience Policy, we are exploring the use of artificial intelligence to support our systems, streamline workflows and assist staff in delivering services more efficiently. This will be implemented in a careful and responsible way, ensuring appropriate oversight and maintaining high standards of data protection and fairness. We are already making use of automation within our housing management systems to reduce administrative tasks, such as processing invoices. Over the next five years, we will grow Yorkhill Housing Association stock levels to 500 homes, strengthening our role as a community-based housing provider. We will achieve this through a combination of targeted acquisitions and the redevelopment of existing spaces, supported by a balanced approach to private finance and borrowing. This growth will be dependent on securing appropriate funding, including support from Glasgow City Council and the successful arrangement of private finance.

- **Open and accountable:** We have strengthened our governance arrangements following an independent Governance Review in 2024, with all recommendations now fully implemented. We have improved how tenants and customers access our services through the introduction of a modern, accessible website and customer portal. This allows tenants, owners and applicants to securely access their accounts, view real-time information and engage with our services at a time that suits them.

- **Not-for-profit, for people:** As a community-based housing association, we remain committed to local control and accountability. Our decisions are made with a clear focus on the needs of the Yorkhill community, ensuring that our resources are directed where they will have the greatest impact.

These core objectives underpin all business and planning activities undertaken by committee and staff.

2026-31 Strategic objective outcomes:

- **Visible in the community:** We will be a visible and active presence in the Yorkhill neighbourhood, engaging with tenants and responding to local needs. We will build strong relationships within our community, ensuring we are approachable, accessible and informed by the views of the people we serve.
- **Inclusive and fair:** We will treat everyone with respect, promoting equality and ensuring fair access to our services.
- **Safe and secure homes:** We will provide high-quality homes that are safe, well-maintained and meet the needs of our tenants. We will place a strong focus on tenant safety, while continuing to invest in improvements that support energy efficiency and future sustainability.
- **Investing in our future:** We will plan ahead and invest in our homes and services to ensure long-term sustainability. This includes investing in the improvement and quality of our homes, as well as in our people by being a supportive and responsible employer, embracing modern and efficient ways of working, and maintaining strong financial management to secure the future of the organisation.
- **Open and accountable:** We will be transparent in our decisions, listen to feedback, and take responsibility for our actions. We will communicate clearly with our tenants and stakeholders, and ensure that we are open to challenge, learning and continuous improvement.
- **Not-for-profit, for people:** We will reinvest our resources to benefit our tenants and community, putting people at the heart of everything we do. We will ensure our decisions are guided by the needs of our tenants, delivering value for money while maintaining our social purpose.

Governance

Governing Document
The Association as a social landlord is registered with the Scottish Housing Regulator, OSCR and the Financial Conduct Authority.

Recruitment and Appointment of the Management Committee
One third of the Management Committee retire by rotation annually at the Annual General Meeting. They can then be nominated for re-election, they can re-stand for election, however they do not require to be nominated again.

The Association endeavours to have a diverse range of Management Committee members who can bring their own skills to the Committee. This is achieved by direct contact with residents within the Yorkhill area as well as by networking and identifying members who could bring their own skills and experience to the Association's Management Committee.

Annual Appraisal of Management Committee
An annual appraisal of the Management Committee is undertaken by an external organisation. The process involves assessments of the team's collective knowledge and also one to one interview for individuals. The report presented to Committee confirms the ongoing competences of all members in accordance with regulatory requirements.

Organisational Structure
A full Governance review was carried out in 2023/24 by an external assessor. This has been implemented gradually throughout 2024/25 to 2025/26. At the end of March 2026, the Management Committee comprised of seven fully elected members, alongside 2 casual vacancies and 4 co-opted recruited after the 2025 AGM.

Over the 2025/26 financial year, eight members resigned. The Management Committee met monthly with the exception of January and July, the Association held its Annual General Meeting on 18th September 2025. There was also a governance and finance sub-committee and a services sub-committee, who meet quarterly and report directly to the Management Committee. This was reviewed with the services sub-committee removed during 2026 and reporting the information presently provided to this into a report for the full Management Committee quarterly.

Delegated authority is in place and day to day responsibility for the provision of services rests with the Chief Executive. The Chief Executive is responsible for ensuring that the Association delivers the services specified and that key performance indicators are met.

Management committee and executive officers
The Management Committee and executive officers of the Association are listed on the Association's information page at the start of the financial statements. Each member of the Management Committee holds one fully paid share of £1 in the Association. The executive officers of the Association 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 committee.

Statement of management committee's responsibilities
Statute requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the income or expenditure of the Association for the year ended on that date. In preparing these financial statements, the Management Committee is required to:

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

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association. 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.

Related party transactions
Some members of the Management Committee are tenants or owner occupiers, however, the policies, procedures and agreements in place do not allow them to use their position on the committee to their personal advantage.
Related party transactions are documented at note 25.

Internal financial control
The Committee is responsible for the Association's system of internal financial control and has reviewed its effectiveness from information provided by management staff.

Any system can only provide reasonable and not absolute assurance against material misstatement or loss. The financial control system within the Association is fundamentally simple and appropriate to the size and complexity of the organisation. It includes a combination of regular review of financial results compared with an agreed budget and authorisation of all expenditure by senior staff and Committee.

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are members of the Management Committee at the time the report is approved:

- So far as the Committee members are aware, there is no relevant information of which the Association's auditor is unaware; and
- He/she has taken all the steps that he/she ought to have taken as a committee member in order to make himself/herself aware of any relevant information, and to establish that the Association's auditor is aware of the information.

Auditor

A resolution to re-appoint Azets Audit Services as auditor will be put to the members at the Annual General Meeting.

The report of the Management Committee (Incorporating the Strategic Report) has been approved by the Management Committee on 13th August 2026 and signed on its behalf by:

B Docherty
Secretary

[redacted]

Date: 13 August 2026

YORKHILL HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE'S STATEMENT ON INTERNAL FINANCIAL CONTROLS FOR THE YEAR ENDED 31 MARCH 2026

The Management Committee acknowledges its ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate for the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

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

It is the Management Committee's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements 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 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 regularly, which allow the Management Committee and staff to monitor the key business risks and progress towards financial plans set for the year and medium term;
- regular management accounts are prepared timeously, providing relevant, reliable and up to date financial and other information and significant variances from budget are investigated where appropriate;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures;
- the Management Committee reviews reports from the Chief Executive, staff and the external and internal auditor to provide reasonable assurance that control procedures are in place and are being followed; and
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Management Committee has confirmed the existence of the system of internal financial control in the Association for the year ended 31 March 2026.

By order of the Management Committee

[redacted]

Y Alexis
Chairperson

Dated: 13 August 2026

REPORT OF THE AUDITOR TO THE MANAGEMENT COMMITTEE ON CORPORATE GOVERNANCE MATTERS FOR THE YEAR ENDED 31 MARCH 2026

In addition to our audit of the Financial Statements, we have reviewed your statement on page 7 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 2009/4 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 Control on page 7 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 Management Committee and officers of the Association and examination of relevant documents, we have satisfied ourselves that the Management Committee's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

Azets Audit Services

Azets Audit Services
Statutory Auditor
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Dated: 24 AUGUST 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKHILL HOUSING ASSOCIATION LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2026 and of its 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 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 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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

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

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

Other information

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

Other information (continued)

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 in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

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

Responsibilities of the Management Committee

As explained more fully in the Statement of the Management Committee's Responsibilities set out on page 5, the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee 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 Management Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee either 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

We have been appointed as auditor under the Co-operative and Community Benefit Societies Act 2014 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

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

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Association through discussions with the Management Committee members and the senior management team, and from our knowledge and experience of the RSL sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Association, including the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010, the Determination of Accounting Requirements 2019 issued by the Scottish Housing Regulator, taxation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the senior management team and the Management Committee and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements (continued)

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;
- reading the minutes of meetings of the Management Committee and relevant sub-committees;
- enquiring of the senior management team as to actual and potential litigation and claims;
- reviewing legal and professional fees paid in the year for indication of any actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the Scottish Housing Regulator, OSCR and the Association's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members, as a body, 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.

Azets Audit Services

Azets Audit Services
Statutory Auditor
Chartered Accountants
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 24 August 2026

Azets Audit Services is eligible for appointment as auditor of the Association by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2025 £
Turnover	4	2,854,382	2,734,044
Operating expenditure	4	(2,622,000)	(2,722,266)
Operating surplus	4	232,382	11,778
Interest receivable	10	5,316	20,351
Interest payable and financing costs	11	(39,345)	(39,133)
Surplus/(deficit) for the year before taxation		198,353	(7,004)
Taxation	12	-	-
Surplus/(deficit) for the year		198,353	(7,004)
Other comprehensive income			
Actuarial gain in respect of pension scheme	23	35,000	29,000
Total comprehensive income for the year		233,353	21,996

The results for the year relate wholly to continuing activities.

The financial statements were authorised for issue by the Management Committee on 13 August 2026 and signed on its behalf by:

[redacted]
Y Alexis
Chairperson

[redacted]
B Docherty
Secretary

[redacted]
Dr M Green
Treasurer

The notes on pages 17 to 37 form part of these financial statements.

STATEMENT OF CHANGES IN CAPITAL AND RESERVES AS AT 31 MARCH 2026

	Share Capital £	Revenue Reserves £	Total Reserves £
Balance at 1 April 2025	61	2,874,232	2,874,293
Total comprehensive income for the year	-	233,353	233,353
Issue of share capital	12	-	12
Cancellation of share capital	(6)	-	(6)
Balance at 31 March 2026	**67**	**3,107,585**	**3,107,652**

STATEMENT OF CHANGES IN CAPITAL AND RESERVES AS AT 31 MARCH 2025

	Share Capital £	*Revenue Reserves £*	*Total Reserves £*
Balance at 1 April 2024	*103*	*2,852,236*	*2,852,339*
Total comprehensive income for the year	-	*21,996*	*21,996*
Issue of share capital	*5*	-	*5*
Cancellation of share capital	*(47)*	-	*(47)*
Balance at 31 March 2025	*61*	*2,874,232*	*2,874,293*

The notes on pages 17 to 37 form part of these financial statements.

YORKHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes	2026 £	2025 £
Tangible fixed assets			
Housing properties	14a	10,878,743	9,183,207
Other fixed assets	14b	392,378	419,248
		11,271,121	9,602,455
Current assets			
Debtors	15	355,785	553,216
Cash at bank and in hand	16a	329,183	463,294
Investments	16b	1,053,302	539,566
		1,738,270	1,556,076
Creditors			
Amounts falling due within one year	17	(1,163,379)	(1,389,543)
Net current assets		574,891	166,533
Total assets less current liabilities		11,846,012	9,768,988
Creditors			
Amounts falling due after more than one year	18	(8,468,360)	(6,606,695)
Pension – defined benefit liability	24	(270,000)	(288,000)
Net Assets		3,107,652	2,874,293
Capital and reserves			
Called up share capital	20	67	61
Revenue reserves	21	3,107,585	2,874,232
		3,107,652	2,874,293

The financial statements were authorised for issue by the Management Committee on 13 August 2026 and signed on its behalf by:

[redacted]
Y Alexis
Chairperson

[redacted]
B Docherty
Secretary

[redacted]
M Green
Treasurer

The notes on pages 17 to 37 form part of these financial statements.

YORKHILL HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2025 £
Net cash generated from operating activities	22	434,541	638,740
Cash flow from investing activities			
Purchase of fixed assets		(2,309,529)	(974,715)
Purchase of other fixed assets		(15,192)	(34,000)
Government capital grants received		2,046,649	276,598
Interest received		5,316	20,351
		(272,756)	(711,766)
Cash flow from financing activities			
Interest paid		(22,345)	(24,133)
Increase in/(repayment of) borrowings		240,173	(55,017)
Issue of share capital		12	5
Transfer to current asset investments		(513,736)	336,006
		(295,896)	256,861
Net change in cash and cash equivalents		(134,111)	183,835
Cash and cash equivalents at 1 April	16a	463,294	279,459
Cash and cash equivalents at 31 March	16a	329,183	463,294

	At 1 April 2025 £	Cash flows £	Other non-cash changes £	At 31 March 2026 £
Cash and cash equivalents				
Cash	463,294	(134,111)	-	329,183
Cash equivalents	539,566	513,736	-	1,053,302
	1,002,860	379,625	-	1,382,485
Borrowings				
Debt due within one year	(56,805)	(56,805)	46,383	(67,277)
Debt due after one year	(666,938)	(208,907)	46,383	(896,440)
	(723,743)	(56,805)	92,766	(963,717)
Total	279,117	113,913	92,766	485,796

The notes on pages 17 to 37 form part of these financial statements.

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the Association's transactions are denominated. They comprise the financial statements of Yorkhill Housing Association drawn up for the year ended 31 March 2026.

The Association is defined as a public benefit entity and thus the Association complies with all disclosure requirements relating to public benefit entities. The Association is a registered social landlord in Scotland and its registered number is HCB 209.

The Association's Scottish Charity number is SC040346. The address of the Association's registered office is: 1271 Argyle Street, Glasgow, G3 8TH.

2. Accounting policies

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting subject to the revaluation of certain fixed assets and in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and comply with the requirements of the Determination of Housing Requirements 2020 as issued by the Scottish Housing Regulator and the Statement of Recommended Practice for Social Housing Providers issued in 2018.

The preparation of these financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies (see note 3).

Basis of preparation

The financial statements are prepared on the historical cost basis of accounting subject to the revaluation of certain fixed assets and in accordance with applicable accounting standards.

The effect of events relating to the year ended 31 March 2026, which occurred before the date of approval of the financial statements by the Board of Management have been included in the statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2026 and of the results for the year ended on that date.

Going Concern

The Management Committee anticipate that a surplus will be generated in the year to 31 March 2027 and in the year to 31 March 2028. The Association has a healthy cash balance and net current asset position and thus the Management Committee is satisfied that there are sufficient resources in place to continue operations in the foreseeable future. Thus, the Management Committee continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover represents rental and service charge income, factoring service income, and fees or revenue grants receivable from Glasgow City Council and from the Scottish Government.

Income from rental and service charges, factoring and commercial letting activities is recognised when the association is entitled to it, it is probable it will be received, and it can be measured reliably.

Income from revenue grants receivable have been covered in a separate accounting policy below.

2. **Accounting policies(continued)**

Apportionment of management expenses

Direct employee, administration and operating costs have been apportioned to the relevant sections of the income and expenditure account on the basis of costs of staff directly attributable to the operations dealt with in the financial statements.

Interest receivable

Interest receivable is recognised in the Statement of Comprehensive Income using the effective interest method.

Interest payable

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Government capital grants

Government capital grants, amounts approved by The Scottish Government or local authorities, are paid directly to the Association as required to meet its liabilities during the development process. This is treated as a deferred capital grant and is released to income in accordance with the accrual model over the useful life of the asset it relates to on completion of the development phase. The accrual model requires the Association to recognise income on a systematic basis over the period in which the Association recognises the related costs for which the grant is intended to compensate.

Government revenue grants

Government revenue grants are recognised using the accrual model which means the Association recognises the grant in income on a systematic basis over the period in which the Association recognises the related costs for which the grant is intended to compensate.

Non-government capital and revenue grants

Non-government capital and revenue grants are recognised using the performance model. If there are no performance conditions attached the grants are recognised as revenue when the Association is entitled to them, it is probable they will be received, and they can be measured reliably.

A grant that imposes specific future performance related conditions on the recipient is recognised as revenue only when the performance related conditions are met.

A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Fixed assets - Housing properties

Housing properties are stated at cost less accumulated depreciation. The development cost of housing properties includes:

1. Cost of acquiring land and buildings; and
2. Development expenditure including administration costs

These costs are either termed "qualifying costs" by The Scottish Government for approved social housing grant schemes and are considered for mortgage loans by the relevant lending authorities or are met out of the Association's reserves.

2. **Accounting policies (continued)**

All invoices and architects' certificates relating to capital expenditure incurred in the year at gross value before retentions are included in the accounts for the year, provided that the dates of issue or valuation are prior to the year-end.

Expenditure on schemes which are subsequently aborted is written off in the year in which it is recognised that the schemes will not be developed to completion.

Depreciation

1. **Housing properties**
   Each housing unit has been split between its major component parts. Each major component is depreciated on a straight line basis over its expected useful economic life. The following major components and useful lives have been identified by the Association:

Land	- not depreciated
Kitchens	- over 18 years
Bathrooms	- over 18 years
Structure	- over 50 years
Boilers	- over 15 years
Central heating	- over 24 years
Gutters	- over 20 years
Windows	- over 20 years
Tiles	- over 40 years
Lifts	- over 15 years
Flashings	- over 30 years

2. **Other fixed assets**
   Depreciation is charged on other fixed assets so as to write off the asset cost less any recoverable value over its anticipated useful life.

   The following rates have been used:

Furniture, Fittings & Equipment	- 20% straight line
Office Property	- over 50 years

   A full year's depreciation is charged in the year of purchase. No charge is made in the year of disposal.

Investment property

Investment properties are initially recorded at cost. Thereafter investment properties are held at fair value with any changes in fair value recognised in the Statement of Comprehensive Income. The investment properties are not depreciated.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. **Accounting policies (continued)**

Rental arrears

Rental arrears represent amounts due by tenants for rental of social housing properties at the year end. Rental arrears are reviewed regularly by management and written down to the amount deemed recoverable. Any provision deemed necessary is shown alongside gross rental arrears in note 15.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial instruments

The Association only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Pension costs (note 24)

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

The SHAPS is accounted for as a defined benefit scheme and as such the amount charged to the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost is included within other finance costs/income. Actuarial gains and losses arising from new valuations and from updating valuations to the reporting date are recognised in Other Comprehensive Income.

Defined benefit schemes are funded, with the assets held separately from the Association in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each reporting date.

The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the Statement of Financial Position only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the reporting date. A pension scheme liability is recognised to the extent that the Association has a legal or constructive obligation to settle the liability.

3. Judgements in applying policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The Management Committee consider the following to be critical judgements in preparing the financial statements:

- The categorisation of housing properties as property, plant and equipment in line with the requirements of the SORP;
- The amount disclosed as 'operating profit' is representative of activities that would normally be regarded as 'operating'; and
- The identification of a cash generating unit for impairment purposes.

The Management Committee are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Estimate	Basis of estimation
Useful lives of property, plant and equipment	The useful lives of property, plant and equipment are based on the knowledge of senior management at the Association, with reference to expected asset life cycles.
The main components of housing properties and their useful lives	The cost of housing properties is split into separately identifiable components. These components were identified by knowledgeable and experienced staff members and based on costing models.
Recoverable amount of rental and other trade receivables	Rental arrears and other trade receivables are reviewed by appropriately experienced senior management team members on a case by case basis with the balance outstanding together with the payment history of the individual tenant being taken into account.
Investment properties	The investment properties were valued by an appropriate qualified surveyor using market data at the date of the valuation.
The obligations under the SHAPs pension scheme	This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

4. Particulars of turnover, operating expenditure and operating surplus/(deficit)

	Notes	2026 Turnover £	2026 Operating Expenditure £	2026 Operating (Deficit)/ surplus £	*2025 Turnover £*	*2025 Operating Expenditure £*	*2025 Operating (Deficit) /Surplus £*
Affordable lettings	5	**2,728,782**	**2,501,369**	**227,413**	*2,616,696*	*2,599,526*	*17,170*
Other activities	6	**125,600**	**120,631**	**4,969**	*117,348*	*122,740*	*(5,392)*
Total		**2,854,382**	**2,622,000**	**232,382**	*2,734,044*	*2,722,266*	*11,778*

5 **Particulars of income and expenditure from affordable lettings**

	General Needs Housing £	Supported Housing £	Shared Ownership £	Other £	2026 Total £	*2025 Total £*
Income from rent and service charges						
Rent receivable net of service charges	2,200,368	-	-	-	2,200,368	*2,105,549*
Service charges	126,545	-	-	-	126,545	*121,905*
Gross income from rents and service charges	2,326,913	-	-	-	2,326,913	*2,227,454*
Less: Voids	(2,823)	-	-	-	(2,823)	*(4,458)*
Net income from rents and service charges	2,324,090	-	-	-	2,324,090	*2,222,996*
Release of deferred government grant	370,972	-	-	-	370,972	*327,209*
Grants from the Scottish Ministers	33,720	-	-	-	33,720	*66,491*
Total turnover from affordable letting activities	2,728,782	-	-	-	2,728,782	*2,616,696*
Expenditure						
Management and maintenance administration costs	1,308,762	-	-	-	1,308,762	*1,226,948*
Service charges	26,764	-	-	-	26,764	*133,389*
Planned cyclical maintenance including major repairs	219,877	-	-	-	219,877	*313,033*
Reactive maintenance costs	321,738	-	-	-	321,738	*304,395*
Bad debts - rents and service charges	10,235	-	-	-	10,235	*19,861*
Depreciation of social housing	613,993	-	-	-	613,993	*601,900*
Operating costs for affordable letting activities	2,501,369	-	-	-	2,501,369	*2,599,526*
Operating surplus/(deficit) On affordable letting activities, 2026	227,413	-	-	-	227,413	
On affordable letting activities, 2025	*17,010*	-	-	-		*17,010*

Included in depreciation of social housing is £3,827 (*2025 - £17,676*) relating to the loss on disposal of components.

Included in management and maintenance administration costs is £nil *(2025 - £nil)* in relation to impairment of office premises.

6. Particulars of turnover, operating expenditure and operating surplus/(deficit) from other activities

	Grants from Scottish Ministers	Other Revenue Grants	Supporting People Income	Other Income	Turnover 2026 Total	*Turnover 2025 Total*	Operating Expenditure Bad Debts	Other Operating Expenditure	2026 Surplus/ (deficit)	*2025 Surplus/ (deficit)*
	£	£	£	£	£	£	£	£	£	£
Wider role activities	-	-	-	-	-	-	-	*23,184*	*(23,184)*	*(31,599)*
Commercial rent	-	-	-	*14,439*	*14,439*	*13,992*	-	-	*14,439*	*13,992*
Care and repair of property	-	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	*111,161*	*111,161*	*103,356*	*1,405*	*96,042*	*13,714*	*12,215*
Development and construction of property activities	-	-	-	-	-	-	-	-	-	-
Support activities	-	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-	-
Agency/management services for RSL's	-	-	-	-	-	-	-	-	-	-
Other agency/management services	-	-	-	-	-	-	-	-	-	-
Development for sale to RSL's	-	-	-	-	-	-	-	-	-	-
Development and improvements for sale to non RSL's	-	-	-	-	-	-	-	-	-	-
Commercial properties	-	-	-	-	-	-	-	-	-	-
Disabled adaptations	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Total from other activities, 2026	-	-		125,600	125,600		1,405	119,226	4,969	
Total from other activities, 2025	-	-	-	*117,348*		*117,348*	*4,182*	*118,558*		*(5,392)*

7. Operating surplus

	2026 £	2025 £
Surplus on ordinary activities before taxation is stated after charging:		
Depreciation	613,993	601,900
Auditor's remuneration		
- in their capacity as auditor	20,500	19,500
- other services	1,600	1,500

8. Directors' emoluments

The Directors are defined as the members of the Management Committee, the Chief Executive and any other person reporting directly to the Chief Executive or the Management Committee.

The Association considers key management personnel to be the Management Committee and the senior management team (listed on the Association's information page) of the Association only.

No emoluments are paid to any member of the Management Committee during the year.

	2026 £	2025 £
Emoluments of the Chief Executive and Deputy Director	141,685	133,667
Social Security costs	19,265	15,050
Employers pension contributions	13,374	12,277
	174,324	160,994

The emoluments of key management (excluding pension contributions and including social security costs and benefits in kind) for the year were £335,858 *(2025 - £310,037)*. Their pension contributions (including the past service element) for the year were £33,940 *(2025 - £30,617)*. No enhanced or special terms apply to membership and the directors have no other pension arrangements to which the Association contributes.

The emoluments (including pension contributions) of the directors were in the following range:

	2026 Number	2025 Number
£60,000 - £70,000	2	1
£70,000 - £80,000	-	-
£80,000 - £90,000	1	1

3 directors *(2025 – 2)* earned more than £60,000.

	£	£
Total expenses reimbursed to Management Committee insofar as not chargeable to UK income tax	609	-

9. Employee information

	2026 Number	2025 Number
The average number of full-time equivalent employees during the year was:	18	15

	2026 £	2025 £
Wages and salaries	732,135	630,516
Social security costs	85,278	59,712
Pension contributions	119,139	101,987
Service cost adjustment	3,658	3,552
	940,210	795,767

10. Interest receivable

	2026 £	2025 £
Interest receivable on deposits	5,316	20,351

11. Interest payable and financing costs

	2026 £	2025 £
On private loans	22,345	24,133
Defined benefit pension liability – interest charge (Note 24)	17,000	15,000
	39,345	39,133

12. Taxation

The Association is a registered charity and as a result no corporation tax is due on any surplus generated from charitable activities. No corporation tax is due on its non-charitable activities.

13. Housing stock

	2026	*2025*
The number of units of accommodation in management at year end:	Number	*Number*
General needs housing	472	*467*
Supported housing		*-*
	472	*467*

14a. Tangible fixed assets

	Housing Properties Held for General Letting £	Housing Properties Held for Supported Letting £	Total £
Cost:			
At 1 April 2025	20,964,525	-	20,964,525
Additions during year			
- Properties	1,623,919	-	1,623,919
- Components	685,610	-	685,610
Disposals during year	(46,900)	-	(46,900)
As at 31 March 2026	23,227,154		23,227,154
Depreciation:			
At 1 April 2025	11,781,318	-	11,781,318
Provided during the year	610,166	-	610,166
Disposals during the year	(43,073)	-	(43,073)
As at 31 March 2026	12,348,411	-	12,348,411
Net book value:			
As at 31 March 2026	10,878,743	-	10,878,743
As at 31 March 2025	9,183,207	-	9,183,207

There were no property disposals in the current year *(2025 - nil)*

Additions to housing properties during the year includes £nil capitalised interest *(2025 - £nil)* and £nil capitalised administration costs *(2025 - £nil)*. All housing properties are freehold.

The depreciation charge for the year for housing stock was £610,166 *(2025 - £586,224)*. The net book value of disposed components was £3,827 *(2025 - £15,676)* and has been included in depreciation of social housing in note 5 in accordance with the SORP.

Included in freehold housing properties is land with a historic cost allocation of £1,069,225 *(2025 - £1,069,225)*.

14b. Other fixed assets

	Office Properties £	Furniture Fittings & Equipment £	Total £
Cost:			
At 1 April 2025	**460,010**	**201,925**	**661,935**
Additions during year	**4,076**	**11,116**	**15,192**
Disposals during year	**(3,000)**	**(35,842)**	**(38,842)**
As at 31 March 2026	**461,086**	**177,199**	**638,285**
Depreciation:			
At 1 April 2025	**126,210**	**116,477**	**242,687**
Provided during the year	**6,622**	**35,440**	**42,062**
Disposals during the year	**(3,000)**	**(35,842)**	**(38,842)**
As at 31 March 2026	**129,832**	**116,075**	**245,907**
Net book value:			
As at 31 March 2026	**331,254**	**61,124**	**392,378**
As at 31 March 2025	**333,800**	**85,448**	**419,248**

Included within office properties are investment properties held at valuation totalling £130,000 (*2025 - £130,000*).

The company's interest in investment properties was valued on 6 June 2024 on an open market basis by DM Hall. The Directors of the Association consider this valuation reasonable and have incorporated it into these financial statements.

15. Debtors

	2026	2025
	£	£
Amounts falling due within one year:		
Arrears of rent and service charges	114,881	148,191
Less: Provision for doubtful debts	(103,631)	(103,631)
	11,250	44,560
Prepayments and accrued income	216,628	400,126
Other debtors	127,907	108,530
	355,785	553,216

16a. Cash and cash equivalents

	2026	2025
	£	£
Cash at bank and in hand	329,183	463,294
	329,183	463,294

16b. Investments

	2026	2025
	£	£
Balances held on deposit	1,053,302	539,566
	1,053,302	539,566

17. Creditors: Amounts falling due within one year

	2026	2025
	£	£
Housing loans	67,227	56,805
Trade creditors	70,420	98,933
Other taxation and social security	27,893	8,872
Other creditors	306,741	374,799
Accruals	208,453	404,083
Rent paid in advance	94,923	110,687
Deferred capital grants (Note 19)	370,972	327,209
Pension creditor	16,750	8,155
	1,163,379	1,389,543

Pension contributions of £16,750 were outstanding at the year-end *(2025 - £8,155)*.

18. Creditors: Amounts falling due after more than one year

	2026 £	2025 £
Deferred capital grants (Note 19)	7,571,671	5,939,757
Housing loans	896,689	666,938
	8,468,360	6,606,695

Housing loans are secured by specific charges on the Association's properties. The net book value of housing properties secured at the year end was £1,066,933 (*2025 - £1,027,333*). There are two bank loans (2025: one bank loan), which are repayable at fixed interest rates of 3.2% and 2.65% respectively. These loans are repayable within the next 30 years as follows: -

	2026 £	2025 £
Within one year	67,227	*56,805*
Between one and two years	69,364	*56,805*
Between two and five years	221,598	*170,415*
After five years	605,727	*439,718*
	963,916	*723,743*
Recognised within amounts falling due in less than 1 year (Note 17)	(67,227)	*(56,805)*
	896,689	*666,938*

19. Deferred capital grants

	2026 £	2025 £
Deferred capital grants 1 April	6,266,966	*6,317,577*
Grants received in year	2,046,649	*276,598*
Released to income in year	(370,972)	*(327,209)*
Deferred capital grants at 31 March	7,942,643	*6,266,966*
Liability splits as:		
Within one year	370,972	*327,209*
Between one and two years	370,972	*327,209*
Between two and five years	1,112,916	*981,627*
After five years	6,087,784	*4,630,921*
	7,942,643	*6,266,966*

20. Share capital

	2026 £	2025 £
At 1 April	61	103
Shares of £1 each fully paid and issued in the year	12	5
Shares forfeited in the year	(6)	(47)
At 31 March	**67**	61

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.

21. Reserves

Revenue reserves include all current and prior year retained surpluses or deficits.

22. Capital Commitments

	2026 £	2025 £
Contracted but not provided for in these accounts	-	308,941
This is to be funded by:		
Government grants	-	308,941
At 31 March	-	308,941

Operating Lease Commitments

The Association's annual commitments for rental payments under non-cancellable operating leases at 31 March 2026 were as set out below:

	2026 Land and Buildings £	2026 Vehicles £	2025 Land and Buildings £	2025 Vehicles £
Operating leases which expire				
Within one year	750	10,348	750	7,239
2-5 years	750	2,587	1,391	-
>5 years	-	-	-	-
At 31 March	**1,500**	**12,935**	2,141	7,239

23. Net cash flow from operating activities

	2026 £	2025 £
Surplus for the year	**198,353**	*(7,004)*
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	**656,055**	*648,985*
Decrease in debtors	**197,431**	*105,275*
Increase in creditors	**(280,349)**	*199,958*
Interest charge in respect of the defined benefit pension liability	**17,000**	*15,000*
Adjustments for investing and financing activities:		
Interest payable	**22,345**	*24,133*
Interest received	**(5,316)**	*(20,351)*
Release of deferred Government capital grants	**(370,972)**	*(327,209)*
Forfeited share capital	**(6)**	*(47)*
	434,541	*638,740*

24. Pension obligations

General
Yorkhill Housing Association Limited participates in the Scottish Housing Pension Scheme (the Scheme).

The Scheme is a multi-employer defined benefit scheme. The Scheme offers six benefit structures to employers, namely;

Final salary with a 1/60th accrual rate
Career average revalued earnings with a 1/60th accrual rate
Career average revalued earnings with a 1/70th accrual rate
Career average revalued earnings with a 1/80th accrual rate
Career average revalued earnings with a 1/120th accrual rate contracted in
Defined Contribution

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. The DC option can be introduced by the employer on the first day of any month after giving a minimum of three months' prior notice.

Yorkhill Housing Association Limited has elected to close the defined benefit scheme as at 1 July 2020 with all staff transferred over to the defined contribution scheme. Prior to this, the Association operated the final salary with a 1/60th accrual rate for staff employed prior to 1 April 2011. All staff employed from 1 April 2011 were previously eligible to join the CARE 1/120th scheme including staff auto enrolled from the staging date of 1 August 2016.

24. Pension obligations (continued)

During the accounting period and prior to the defined benefit scheme closing, Yorkhill Housing Association Limited paid contributions at the rate of 12.6% of pensionable salaries for staff on Final Salary Scheme and 6% for staff on CARE 1/120th scheme. Member contributions were 12.5% and 6% respectively. After the 1 July 2020, former final salary members employer contributions were 12.6% and former CARE 1/20th employer contributions were 9%. Employee contributions were 12.5% and 6% respectively. All payments after 1 July 2020 were made under the defined contribution scheme.

As at the balance sheet date there were no active members of the Final Salary Scheme or the Care 1/120th scheme *(2025 - none were members of the Final Salary Scheme & none were members of the Care 1/20th scheme)*. The annual pensionable payroll in respect of these members was £nil *(2025 - £nil)*. Yorkhill Housing Association Limited has stopped membership of the Scheme to its employees.

The Trustees commission an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market values. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2021. This valuation revealed a deficit of £27m. A Recovery Plan was put in place to eliminate the deficit which ran to 30 September 2022.

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 2023. 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.

24. Pension obligations (continued)

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	31 March 2026 £'000	*31 March 2025 £'000*
Fair value of plan assets	1,958	*1,960*
Present value of defined benefit obligations	(2,228)	*(2,248)*
Defined benefit liability to be recognised	(270)	*(288)*

Reconciliation of opening and closing balances of the defined benefit obligation

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Defined benefit obligation at start of period	(2,248)	*(2,444)*
Current service cost	-	-
Expenses	(4)	*(4)*
Interest cost	(125)	*(116)*
Contribution by plan participants	-	-
Actuarial losses/(gains) due to scheme experience	15	*(47)*
Actuarial gains due to changes in demographic assumptions	(27)	-
Actuarial losses due to changes in financial assumptions	25	*228*
Benefits paid and expenses	136	*135*
Defined benefit liability at the end of the period	(2,228)	*(2,248)*

24. Pension obligations (continued)

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

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Fair value of plan assets at start of the period	1,960	*2,142*
Interest income	108	*101*
Experience on plan assets (excluding amounts included in interest income – gain/(loss)	-	*-*
Contributions by the employer	22	*(152)*
Contributions by participants	4	*4*
Benefits paid and expenses	-	*-*
	(136)	*(135)*
Fair value of plan assets at end of period	1,958	*1,960*

Defined benefit costs recognised in the Statement of Comprehensive Income

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Current service cost	-	*-*
Admin expenses	4	*4*
Net interest expense	17	*15*
Defined benefit costs recognised in Statement of Comprehensive Income	21	*19*

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Experience on plan assets (excluding amounts included in net interest cost – gain/(loss)	22	*(152)*
Experience gains and losses arising on the plan liabilities – gain/(loss)	15	*(47)*
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – (loss)	(27)	*-*
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	25	*228*
Total amount recognised in other comprehensive income – gain	35	*29*

24. Pension obligations (continued)

Fund allocation for employer's calculated share of assets

	31 March 2026 £'000	31 March 2025 £'000
Global Equity	259	227
Absolute Return	-	-
Distressed Opportunities	-	-
Credit Relative Value	-	-
Alternative Risk Premia	-	-
Liquid Alternatives	374	361
Emerging Markets Debt	-	-
Risk Sharing	-	-
Insurance-Linked Securities	4	7
Property	102	97
Infrastructure	-	-
Private Equity	4	2
Real Assets	194	234
Private Debt	-	-
Opportunistic liquid Credit	-	-
Private Credit	253	245
Credit	89	83
Investment Grade Credit	82	90
High Yield	-	-
Cash	1	10
Corporate Bond Fund	-	-
Liquid credit	-	-
Long Lease Property	-	1
Secured Income	26	45
Currency Hedging	-	3
Liability Driven Investment	541	552
Net Current Assets	29	3
Total Assets	1,958	1,960

24. Pension obligations (continued)

The main financial assumptions used by the Scheme Actuary, TPT, in their FRS 102 calculations are as follows:

Assumptions as at	31 March 2026 % per annum
Discount rate	5.95
Inflation (RPI)	3.34
Inflation (CPI)	3.02
Salary growth	4.02
Allowance for commutation of pension for cash at retirement	75% of maximum allowance

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2026	20.7
Female retiring in 2026	22.9
Male retiring in 2046	21.9
Female retiring in 2046	24.4

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2017 model with an allowance for smoothing of recent mortality experience and long-term rates of 1.25% p.a. for males and 1% p.a. for females.

Member data summary

Active members

	Number	Total earnings (£'000s p.a.)	Average age (unweighted)
Males	4	196	53
Females	3	111	41
Total	**7**	**307**	**48**

Deferred members

	Number	Deferred pensions (£'000s p.a.)	Average age (unweighted)
Males	2	1	51
Females	6	4	53
Total	**8**	**5**	**52**

Pensioners

	Number	Pensions (£'000s p.a.)	Average age (unweighted)
Males	3	19	68
Females	12	119	72
Total	**15**	**138**	**71**

24. Pension obligations (continued)

Employer debt on withdrawal

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

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

The Association has been notified by TPT of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2018. The employer debt on withdrawal based on the valuation as at 30 September 2025 was £523,185.

Scheme Benefit Review
The Trustee has carried out a review comparing the benefits provided to Scheme members with the requirements of the Scheme documentation. It has received legal advice that there is sufficient uncertainty regarding the effect of some benefit changes that the Court should be asked to provide clarity, to provide the Trustee with the certainty it needs to properly administer the Scheme.

The Court hearing concluded in March 2026, with the Court's determination expected no earlier than the summer of 2026. After this, the Trustee and its advisers will consider the outcome and communicate next steps to employers. Depending on the outcome of the hearing, it may be necessary to ask further questions of the Court to clarify certain additional points.

Should the Court decide that the historic benefit changes need to be applied differently, then some member benefits would need to be increased, which would increase the value placed on Scheme liabilities. No allowance has been made for potential additional liabilities within the estimate provided above.

25. Payments to members

Some members of the Management Committee are tenants of the Association. The tenancies of these Committee Members are on normal terms and the members cannot use their position to their advantage.

The total rent and service charge payable in the year relating to tenant Board members is £13,152 *(2025 - £15,917)*. The prepaid rent relating to tenant Board members included within debtors at the year-end is £nil *(2025 - £396)*. The total rental arrears relating to tenant Board members included within creditors at the year-end is £107 *(2025 - £799)*.