

Registered Housing Association No. 173  
FCA Reference No. 1825R(S)  
Scottish Charity No. SC044023

**REIDVALE HOUSING ASSOCIATION**  
**REPORT and FINANCIAL STATEMENTS**  
**For the year ended 31 March 2025**

**CT:**

**REIDVALE HOUSING ASSOCIATION**  
**REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2025**

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**REIDVALE HOUSING ASSOCIATION**

**MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS**

**For the year ended 31 March 2025**

**MANAGEMENT COMMITTEE**

Denise Dempsey	Chairperson
Helen Richman	Vice-Chair
Jane Marley	(resigned 11 September 2024)
Paul McCrudden	
Ellen McVey	
Eddie Marley	
Linda Wishart	(resigned 30 July 2025)
Gerry Bitten-O'Prey	
Carmen Rubio Gutierrez	
Geraldine Dempsey	
Ian Elrick	
Michael Carberry	
Helen Moore	
Jim Hastie	

**SECRETARY**

Julie Smillie	(Appointed April 2024)
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**EXECUTIVE OFFICERS**

Lynn McCulloch	(Resigned 15 April 2024)
Paul Rydquist	(Resigned 15 April 2024)
Julie Smillie	(Appointed 15 April 2024)

**REGISTERED OFFICE**

13 Whitevale Street  
Glasgow  
G31 1QW

**EXTERNAL AUDITORS**

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

**INTERNAL AUDITORS**

Wbg Audit Limited  
168 Bath Street  
Glasgow  
G2 4TP

**BANKERS**

Lloyds Bank plc  
177 Ingram Street  
Glasgow  
G1 1DL

**SOLICITORS**

T C Young  
7 West George Street  
Glasgow  
G2 1BA

## **REIDVALE HOUSING ASSOCIATION**

### **REPORT of the MANAGEMENT COMMITTEE**

#### **For the year ended 31 March 2025**

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

#### **Legal Status**

Reidvale Housing Association ('The Association') is a registered non-profit making organisation under the Cooperative and Community Benefit Societies Act 2014 No. 1825R(S). The Association is governed under its Rule Book. The Association is a registered Scottish Charity with the charity number SC044023.

#### **Principal Activities**

The principal activity of the Association is the provision of affordable rented housing to people in most need in the East end of Glasgow. The Association owns and manages 897 rented properties; factors 232 owner occupied properties; and owns 9 commercial properties which are either leased out or vacant.

#### **Review of Business and Future Developments**

Following the rejection of a proposed transfer of engagements at a Special General Meeting in January 2024, a further Special General Meeting in March 2024 resulted in substantial changes to the membership of the Management Committee, including many who had supported the campaign to preserve Reidvale's independence, all now committed to restoring its former reputation as a sector leader and innovator.

This "new" Committee has worked very hard during the year to build an effective team and improved governance arrangements, and to establish a new strategic direction with the publication of its new Business Plan 2025 – 2028 in February 2025. This process included a major review of services and business fundamentals; agreement to the introduction of an updated rents strategy which will see rents rising at slightly above inflation for the next 5 years, but remaining well below average for the sector, with good affordability; approval of a new asset management strategy and accompanying 30-year financial projections demonstrating the ongoing financial health of the Association on an independent basis based on its new business and planned maintenance investment plans.

The Association's regulatory status remains non-compliant, working towards compliance. A comprehensive self-assessment review of regulatory compliance was undertaken by the Association during the year as part of the preparation for the submission of its latest Annual Assurance Statement in October 2024. This confirmed ongoing material non-compliance with Regulatory Standards 1 and 3; but also included details of part-completed improvement plans to restore the Association to full compliance. These are now either fully or mostly completed, and we anticipate declaring full compliance with the submission of our 2025 Statement.

Last year we reported the emergence of a major default in two of our tenement properties, requiring the decanting of 19 flats to preserve the safety of the tenants, and a major rebuilding of the front façade, the costs of which were beyond the financial capacity of the business to re-instate without substantial grant-based financial support. We are very pleased to report that we have recently been offered the level of grant required by Glasgow City Council, and the re-instatement project is expected to be completed during 2025/26.

These properties were part of the Association's stonework repair programme. This programme has now been re-set as part of the new business plan and asset management strategy, and will re-commence in 2026/27. Like all owners of tenement buildings, there is an ongoing liability to undertake stonework repairs if these buildings are to have a continuing useful life. With this comes some risk of falling masonry and other building safety risks. During the year, Reidvale developed and adopted a Stonework Safety Protocol, which we believe is currently unique in the sector, involving regular in-year visual inspections and urgent repair programmes, as well as processes to follow in the case of any damage incurred, as a significant risk mitigation strategy. We expect more concerted effort to address and financially support stonework repairs and associated risks from the sector as a whole in the coming years.

Reidvale's housing and property service performance and tenant satisfaction levels regularly outperform Scottish sector averages. Its most recent tenant satisfaction survey carried out in November 2024 showed generally increasing levels of satisfaction compared to its previous survey. Its ancillary services — retirement housing, factoring services and community investment programmes — have all been reviewed during the past year, and improvement plans put in place. An improved housing software system has been put in place and more improvements to core services are planned for the year ahead.



## **REIDVALE HOUSING ASSOCIATION**

### **REPORT of the MANAGEMENT COMMITTEE (Continued)**

**For the year ended 31 March 2025**

#### **Structure, governance and management**

The Association is controlled by a Management Committee. The members of the Management Committee and the Executive Officers are listed on Page 1.

Each member of the Management Committee 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 Management Committee.

The members of the Management Committee are also Trustees of the Charity. Members of the Management Committee are appointed by the members at the Association's Annual General Meeting.

#### **Risk management**

The Association has a comprehensive range of policies and procedures in place to ensure that all aspects of risk are managed and mitigated as far as is possible in the interests of business continuity. The key elements of our risk management are:

- a detailed Risk Management Policy which aims to identify, manage and minimise risks which may prevent the Association from achieving its objectives. The identification and management of risk is a continuous process as changes are made to how the Association operates and to the internal/external environment in which it operates.
- a Risk Register which is subject to regular review and update, identifying changes in risk since last considered and identifying all key mitigation measures proposed to reduce or manage the risk, financial risk in particular.
- a Business Continuity Policy which sets out the roles and responsibilities of staff and Committee in the event of significant disruption to the normal business of the Association and aims to minimise the disruption and confusion this might cause.
- the defining of our top risks as mitigating the impact of the economic challenges, ensuring compliance with Regulatory Standards; EESSH compliance; the failure to achieve major reinvestment per the Life Cycle Costing (HUB) programme; tackling our backlog of policy framework reviews; impact of current homelessness policy on community stability and IT systems failure and security breaches.

#### **Maintenance policies**

The Association aims to maintain its properties to a high standard. To this end programmes of cyclical maintenance are carried out alongside programmes of major repairs to cover for such works. Key identified components are capitalised when replaced.

#### **Treasury management**

The Association, as a matter of policy, does not enter into transactions of a speculative nature. The surplus funds are managed carefully using long established banks or building societies. Committee members attend treasury management training on an annual basis.

#### **Equalities**

Applications for employment are given full and fair consideration for all vacancies in accordance with equalities legislation and information is collected and reported on the protected characteristics. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

#### **Training**

The Committee members are aware of their responsibilities and have undertaken a range of training to ensure that they have the updated skills to make decisions in the best interests of the Association. Training has included insurance and risk, practical governance and regulation. Each Committee member undertakes an annual review to discuss and plan training requirements.

#### **Reserves**

The Association needs to have reserves to ensure the organisation can function into the future and meet its future liabilities, including the major repairs and investment needs of its properties. The revenue reserve of £4.13m reflects primarily the past investment in the housing stock and reserves for future major repairs. The Association has a cash level of £2.22m to support its future plans and operating requirements. The Association reviews its maintenance spending plans regularly and re-assesses them in relation to reserves and cash flows.

## REIDVALE HOUSING ASSOCIATION

### REPORT of the MANAGEMENT COMMITTEE (Continued)

For the year ended 31 March 2025

#### Statement of Management Committee's Responsibilities

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

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

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

#### 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:

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

The Report of the Management Committee has been approved on behalf of the Management Committee by



**D Dempsey**  
Chairperson

Date: 27th August 2025

## REIDVALE HOUSING ASSOCIATION

### REPORT of the MANAGEMENT COMMITTEE (continued)

#### For the year ended 31 March 2025

#### Statement on Internal Financial Control

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

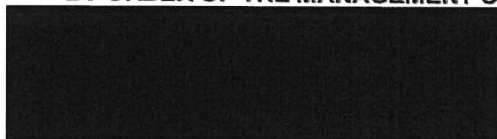
- the reliability of financial information used within the Association, or for publication;
- the maintenance of proper accounting records; and
- the safeguarding of assets against unauthorised use or disposition.

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

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

The Management Committee has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2024. 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.

#### BY ORDER OF THE MANAGEMENT COMMITTEE



D Dempsey  
Chairperson

Date: 27<sup>th</sup> August 2025

**REPORT by the AUDITORS to the MEMBERS OF  
REIDVALE HOUSING ASSOCIATION on  
CORPORATE GOVERNANCE MATTERS**

**CT:**

In addition to our audit of the Financial Statements, we have reviewed your statement on page 6 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.


**Basis of Opinion**

We carried out our review having regard to the requirements relating to corporate governance matters within Bulletin 2006/5 issued by the Auditing Practices Board. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reasons given for non-compliance.

**Opinion**

In our opinion the Statement on Internal Financial Control on page 6 has provided the disclosures required by the relevant Regulatory Standards within the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

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



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

Date: 29 August 2025

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
REIDVALE HOUSING ASSOCIATION**

**CT:**

**Opinion**

We have audited the financial statements of Reidvale Housing Association (the 'Association') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2025 and of 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 financial statements, we have concluded that the Management Committee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**Other information**

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

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

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
REIDVALE HOUSING ASSOCIATION (continued)**

**CT:**

**Matters on which we are required to report by exception**

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

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

**Responsibilities of the Management Committee**

As explained more fully in the Statement of Management Committee's Responsibilities as set out on Page 5, the Management Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
REIDVALE HOUSING ASSOCIATION (continued)**

**CT:**


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

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

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

**Use of our report**

This report is made solely to the Association's members as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 29 August 2025

REIDVALE HOUSING ASSOCIATION

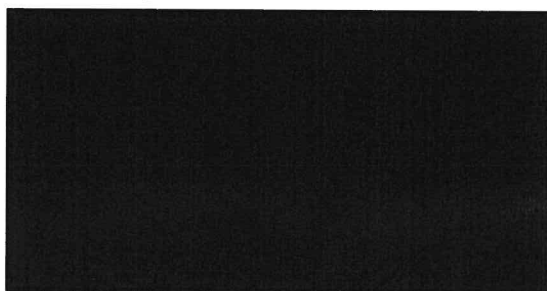
STATEMENT of COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	£	2025 £	£	2024 £
Revenue	2		4,643,838		4,761,613
Operating Costs	2		(4,716,046)		(5,003,763)
Operating (deficit)/surplus			(72,208)		(242,150)
Interest receivable and other income		18,321		29,125	
Interest payable and similar charges	7	-		(15,000)	
Gain on revaluation		655,000		-	
Other finance charges		(32,306)		(99)	
			641,015		14,026
(Deficit)/Surplus before other comprehensive income			568,807		(228,124)
<b>Other Comprehensive Income</b>					
Actuarial losses in respect of pension scheme	21		35,282		(375,000)
(Deficit)/Surplus for the year	8		604,089		(603,124)

All amounts relate to continuing operations.

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



Chairperson – D Dempsey

Vice Chair – H Richman

Secretary – J Smillie

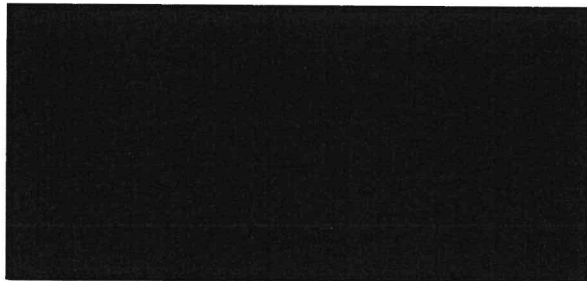
The notes on pages 15 to 26 form part of these financial statements



**REIDVALE HOUSING ASSOCIATION**  
**STATEMENT of FINANCIAL POSITION**  
**As at 31 March 2025**

	Notes	£	2025 £	Re-stated 2024 £
<b>Non-current assets</b>				
Housing properties – depreciated cost	10(a)		16,166,829	16,792,158
Other non-current assets	10(b)		724,579	87,516
			<u>16,891,408</u>	<u>16,879,674</u>
<b>Current assets</b>				
Receivables	11	282,704	359,244	
Cash at bank and in hand		2,222,955	2,229,601	
			<u>2,505,659</u>	<u>2,588,845</u>
<b>Creditors: amounts falling due within one year</b>	12	(812,567)	(895,485)	
<b>Net current assets</b>			<u>1,693,092</u>	<u>1,693,360</u>
<b>Total assets less current liabilities</b>			<u>18,584,500</u>	<u>18,573,034</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(700,000)		(704,212)
<b>Deferred income</b>				
Social Housing grants	15	(13,744,620)		(14,333,038)
<b>Net assets</b>			<u>4,139,880</u>	<u>3,535,784</u>
<b>Equity</b>				
Share capital	16		465	458
Revenue reserves			4,139,415	3,535,326
			<u>4,139,880</u>	<u>3,535,784</u>

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



Chairperson – D Dempsey

Vice Chair – H Richman

Secretary – J Smillie

The notes on pages 15 to 26 form part of these financial statements.

**REIDVALE HOUSING ASSOCIATION**

**STATEMENT of CASH FLOWS**

**For the year ended 31 March 2025**

	Notes	£	2025 £	£	2024 £
<b>Net cash (outflow)/inflow from operating activities</b>	14		202,810		(46,787)
<b>Investing activities</b>					
Acquisition and construction of properties		(225,295)		(572,005)	
Purchase of other fixed assets		(1,284)		(65,109)	
Pension deficit payments		(1,236)		-	
<b>Net cash outflow from investing activities</b>			(227,815)		(637,114)
<b>Financing activities</b>					
Interest received on cash and cash equivalents		18,321		29,125	
Share capital issued		38		26	
<b>Net cash inflow from financing activities</b>			18,359		29,151
<b>(Decrease)/Increase in cash</b>			(6,646)		(654,750)
<b>Opening cash and cash equivalents</b>			2,229,601		2,884,351
<b>Closing cash and cash equivalents</b>			2,222,955		2,229,601
<b>Cash and cash equivalents as at 31 March</b>					
Cash			2,222,955		2,229,601

**Analysis of Changes in Net Debt**

	2024 £	Cash Flows £	Non-cash Changes Finance Leases £	Other Changes £	2025 £
Cash and cash equivalents	2,229,601	(6,646)	-	-	2,222,955
Total net debt	2,229,601	(6,646)	-	-	2,222,955

The notes on pages 15 to 26 form part of these financial statements.

**REIDVALE HOUSING ASSOCIATION**

**STATEMENT of CHANGES IN EQUITY**

**As at 31 March 2025**

	<b>Share Capital £</b>	<b>Revenue Reserve £</b>	<b>Total £</b>
<b>Balance as at 31 March 2024</b>	458	3,535,326	3,535,784
Issue of shares	26	-	26
Cancellation of shares	(19)	-	(19)
Gain / (Loss) for the year	-	604,089	604,089
<b>Balance as at 31 March 2025</b>	<b>465</b>	<b>4,139,415</b>	<b>4,139,880</b>
	=====	=====	=====
	<b>Re-stated Share Capital £</b>	<b>Re-stated Revenue Reserve £</b>	<b>Total £</b>
<b>Balance as at 1 April 2023</b>	451	4,138,450	4,138,901
Issue of shares	26	-	26
Cancellation of shares	(19)	-	(19)
Surplus for the year	-	(603,124)	(603,124)
<b>Balance as at 31 March 2024</b>	<b>458</b>	<b>3,535,326</b>	<b>3,535,784</b>
	=====	=====	=====

## **REIDVALE HOUSING ASSOCIATION**

### **NOTES to the FINANCIAL STATEMENTS**

#### **For the year ended 31 March 2025**

#### **1. Principal accounting policies**

##### **Statement of Compliance**

The financial statements of have been prepared in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS102) (United Kingdom Generally Accepted Accounting Practice), the Housing SORP 2018 'Statement of Recommended Practice for Registered Housing Providers' and they comply with the Determination of Accounting Requirements 2024, and under the historical cost convention, modified to include certain financial instruments at fair value.

The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102. These financial statements represent the results of the Association only and are presented in Pounds Sterling (GBP).

##### **Going concern**

The Association has healthy cash and net current asset position and thus the Management Committee are satisfied that there are sufficient resources in place to continue operating for the foreseeable future. The Management Committee continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **Revenue**

The Association recognises rent receivable net of losses from voids.

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' Pension Scheme (SHAPS) and retirement benefits to employees of the Association are funded by 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.

It has become possible to identify the share of underlying assets and liabilities belonging to individual participating employers and the scheme is now accounted for as a defined benefit plan, as opposed to defined contribution, for the benefit of its employees. No new benefits have been introduced and there is no change to the benefits themselves.

A liability for the Association's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

## REIDVALE HOUSING ASSOCIATION

### NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

#### 1. Principal accounting policies (continued)

##### Valuation of Housing Properties

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

Component	Useful Economic Life
Structure	50 years
Windows	30 years
Central Heating	15 years
Kitchens	15 years
Bathrooms	30 years

##### Depreciation and Impairment of Other Non-Current Assets

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

Asset Category	Depreciation Rate
Office premises	15 years straight line
Commercial premises	15 years straight line
Fixtures and fittings	20 years reducing balance
Office equipment	5 years straight line

The carrying values of non-current assets are reviewed for impairment at the end of each reporting period. Other fixed assets with a cost of £10,000 or more are capitalised and depreciated in accordance with the policy noted above.

##### Social Housing Grant and Other Grants in Advance/Arrears

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

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

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

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

##### Sales of Housing Properties

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

##### Taxation

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

## REIDVALE HOUSING ASSOCIATION

### NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

#### 1. Principal accounting policies (continued)

##### **Estimation Uncertainty**

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

##### **a) Rent Arrears - Bad Debt Provision**

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

##### **b) Life Cycle of Components**

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

##### **c) Useful life of properties, plant and equipment**

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

##### **Works to Existing Properties**

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

##### **Capitalisation of Development Overheads**

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

##### **Development Interest**

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme.

#### **Key Judgements made in the application of Accounting Policies**

##### **a) The Categorisation of Housing Properties**

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

##### **b) Identification of cash generating units**

The Association considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.

##### **c) Financial instrument break clauses**

The Association has considered the break clauses attached to the financial instruments that it has in place for its loan funding. In the judgement of the Management Committee, these break clauses do not cause the financial instrument to be classified as a complex financial instrument and therefore they meet the definition of a basic financial instrument.

##### **d) Pension Liability**

This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

##### **Financial Instruments - Basic**

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

The Association's debt instruments are measured at amortised cost using the effective interest rate method.

# REIDVALE HOUSING ASSOCIATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

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

	Turnover £	Operating Costs £	2025 Operating surplus/ (deficit) £	Turnover £	Operating Costs £	2024 Operating surplus/ (deficit) £
Affordable letting activities (note 3)	4,575,294	(4,510,748)	64,546	4,720,035	(4,956,115)	(236,080)
Other activities (note 4)	68,544	(205,298)	(136,754)	41,578	(47,648)	(6,070)
	<u>4,643,838</u>	<u>(4,716,046)</u>	<u>(72,208)</u>	<u>4,761,613</u>	<u>(5,003,763)</u>	<u>(242,150)</u>

### 3. Particulars of income and expenditure from affordable letting activities

	General Needs Housing £	Supported Housing Accom'n £	Total 2025 £	Total 2024 £
Rent receivable net of service charges	3,751,193	180,845	3,932,038	3,568,644
Service charges	11,114	109,153	120,267	107,154
Gross income from rents and service charges	<u>3,762,307</u>	<u>289,998</u>	<u>4,052,305</u>	<u>3,675,798</u>
Less: Voids	(102,135)	(3,478)	(105,613)	(50,853)
Net income from rents and service charges	<u>3,660,172</u>	<u>286,520</u>	<u>3,946,692</u>	<u>3,624,945</u>
Grants released from deferred income	559,587	28,831	588,418	999,364
Other revenue grants	40,184	-	40,184	95,726
Total turnover from social letting	<u>4,259,943</u>	<u>315,351</u>	<u>4,575,294</u>	<u>4,720,035</u>
Management and administration costs	1,844,512	137,771	1,982,283	1,777,600
Service costs	8,256	81,097	89,353	77,701
Planned and cyclical maintenance including major repairs costs	980,316	6,567	986,883	939,280
Reactive maintenance costs	666,598	6,788	673,386	850,348
Bad debts – rents and service charges	(71,784)	-	(71,784)	125,345
Depreciation of affordable let properties	808,948	41,679	850,627	857,832
Impairment	-	-	-	328,009
Operating costs for social letting	<u>4,236,846</u>	<u>273,902</u>	<u>4,510,748</u>	<u>4,956,115</u>
Operating (deficit)/surplus on social letting	<u>23,097</u>	<u>41,449</u>	<u>64,546</u>	<u>(236,080)</u>
2024	<u>(182,026)</u>	<u>(54,054)</u>	<u>(236,080)</u>	

# REIDVALE HOUSING ASSOCIATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

### 4. Particulars of revenue, operating costs and operating surplus or deficit from other activities

	Other Income £	Total Turnover £	Operating Costs Bad Debts £	Operating Costs Other £	Operating surplus/ (deficit) 2025 £	Operating surplus/ (deficit) 2024 £
Wider role activities	-	-	-	(45)	(45)	(1,685)
Factoring	50,045	50,045	19,641	(37,513)	32,173	(20,260)
Commercial rent	18,499	18,499	-	(389)	18,110	15,875
Neighbourhood Centre	-	-	(62,282)	(100,002)	(162,284)	-
Other	-	-	(24,708)	-	(24,708)	-
	68,544	68,544	(67,349)	(137,949)	(136,754)	(6,070)
2024	41,578	41,578	-	(47,648)	(6,070)	

Includes one off write offs of historic debt totalling £86,990 (2024 - £nil).

### 5. Officers' emoluments

The officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers and employees of the Association. Key management personnel consist of the Management Committee and the Director. Emoluments for this period are included in total emoluments for key management personnel.

The number of officers who received emoluments (excluding employer pension contributions) in excess of £60,000 during the reporting period fell within the following bands:

	2025 £	2024 £
£60,001 - £70,000	2	-

	2025 £	2024 £
Emoluments payable to Director (excluding pension contributions)	105,867	92,575
Total emoluments paid to key management personnel	105,867	92,575

### 6. Employee information

	2025 No.	2024 No.
Average number of full time equivalent persons employed during the year	14	15
<b>Staff costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	614,758	644,601
Social Security costs	48,773	69,543
Other pension costs	92,016	163,390
	755,547	877,534



# REIDVALE HOUSING ASSOCIATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

### 7. Interest payable and similar charges

	2025 £	2024 £
Defined benefit pension charge	32,306	(15,000)
	=====	=====

### 8. Surplus for the year

	2025 £	2024 £
Surplus for the year is stated after charging:		
Depreciation – tangible owned fixed assets	869,849	876,847
Auditors' remuneration – audit services	12,360	11,400
	=====	=====

### 9. Tax on surplus on ordinary activities

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

	Housing Properties Held for letting £	Housing Properties in course of construction £	Total £
<b>10. Non-current assets</b>			
(a) Housing properties			
<b>Cost</b>			
At 1 April 2024	35,008,954	-	35,008,954
Additions	225,295	-	225,295
Disposals	(104,581)	-	(104,581)
Transfer	-	-	-
Impairment	-	-	-
As at 31 March 2025	35,129,668	-	35,129,668
<b>Depreciation</b>			
As at 1 April 2024	18,216,796	-	18,216,796
Charge for Year	848,875	-	848,875
Disposals	(102,832)	-	(102,832)
Impairment	-	-	-
As at 31 March 2025	18,962,839	-	18,962,839
<b>Net book value</b>			
As at 31 March 2025	16,166,829	-	16,166,829
As at 31 March 2024	16,792,158	-	16,792,158
	=====	=====	=====

Additions to housing properties include capitalised major repair costs to existing properties of £225,295 (2024: £572,005). All land and housing properties are heritable.

**REIDVALE HOUSING ASSOCIATION**

**NOTES to the FINANCIAL STATEMENTS (continued)**

**For the year ended 31 March 2025**

	Office Premises/Land £	Commercial Premises £	Furniture & Fittings £	Total £
(b) Other tangible assets				
<b>Cost</b>				
At 1 April 2024	1,153,215	145,896	425,194	1,724,305
Additions	-	-	1,284	1,284
Transfers	-	(145,896)	-	(145,896)
Revaluations	-	655,000	-	655,000
As at 31 March 2025	1,153,215	655,000	426,478	2,234,693
<b>Aggregate depreciation</b>				
As at 1 April 2024	1,135,591	145,896	355,302	1,636,789
Charge for Year	38	-	19,183	17,937
Transfers	-	(145,896)	-	(145,896)
As at 31 March 2025	1,135,629	-	374,485	1,510,114
<b>Net book value</b>				
As at 31 March 2025	17,586	655,000	53,277	724,579
As at 31 March 2024	17,624	-	69,892	87,516

Commercial Premises properties were revalued during the year at £655,000 by DM Hall Chartered Surveyors. Commercial Premises to now be treated as investment property, with no depreciation.

**11. Receivables:** Amounts falling due within one year

	2025 £	2024 £
Arrears of rent and service charges	261,899	405,651
<u>Less: Provision for doubtful debts</u>	<u>(169,403)</u>	<u>(218,092)</u>
	92,496	187,559
Other receivables	190,208	171,685
	<u>282,704</u>	<u>359,244</u>

**12. Payables:** amounts falling due within one year

	2025 £	Re-stated 2024 £
Trade payables	413,743	355,938
Rent received in advance	226,021	74,989
Other payables	54,922	60,973
Accruals and deferred income	117,881	403,585
	<u>812,567</u>	<u>895,485</u>

# REIDVALE HOUSING ASSOCIATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

**13. Payables:** amounts falling due after more than one year

	2025 £	2024 £
Liability for defined benefit scheme	700,000	704,212
	=====	=====

**14. Statement of cash flows**

	2025 £	2024 £
Operating (deficit)/surplus	(72,208)	(242,150)
Depreciation	869,849	876,847
Amortisation of capital grants	(588,418)	(999,364)
Impairment	-	328,009
Change in debtors	76,539	(17,586)
Change in creditors	(82,923)	2,510
Net pension liability movement	-	4,966
Cancelled shares	(31)	(19)
Other non cash adjustments	2	-
<b>Net cash (outflow)/inflow from operating activities</b>	<b>202,810</b>	<b>(46,787)</b>
	=====	=====

**15. Deferred income**

	£
<b>Social housing grants</b>	
As at 1 April 2024	14,333,038
Additions in the year	-
Eliminated on disposal of components	(2,443)
Amortisation in the year	(585,975)
Impairment	-
<b>As at 31 March 2025</b>	<b>13,744,620</b>
	=====

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

	2025 £	2024 £
Amounts due within one year	585,975	608,568
Amounts due in one year or more	13,158,645	13,724,470
	=====	=====
	13,744,620	14,333,038
	=====	=====

**16. Share capital**

	2025 £	Re-stated 2024 £
Shares of £1 each issued and fully paid		
As at 1 April 2024	458	451
Issued in year	38	26
Cancelled in year	(31)	(19)
<b>At 31 March 2025</b>	<b>465</b>	<b>458</b>
	=====	=====

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.

# REIDVALE HOUSING ASSOCIATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

### 17. Housing stock

	2025	2024
	No.	No.
The number of units of accommodation in management at the year end was:		
General needs – new build	128	128
General needs – rehabilitation	726	726
Supported housing	44	44
	=====	=====
	898	898
	=====	=====

### 18. Related party transactions

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

Those members who are tenants of the Association have tenancies that are on the Association's normal tenancy terms and they cannot use their position to their advantage. Any transactions between the Association and any entity with which a Management Committee member has a connection with is made at arm's length and is under normal commercial terms.

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

	2025	2024
	£	£
Rent charged to tenants on the Management Committee and their close family		
Members	75,892	38,989
	=====	=====
Factoring charges to factored owners on the Management Committee	898	540
	=====	=====

At the year end total arrears owed by the tenant members on the Management Committee and their close family were £2,440 (2024: £2,778).

	2025	2024
	No.	No.
Members of the Management Committee who are tenants	9	9
Members of the Management Committee who are factored owners	1	1
	=====	=====

## REIDVALE HOUSING ASSOCIATION

### NOTES to the FINANCIAL STATEMENTS (continued)

#### For the year ended 31 March 2025

#### 19. 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 13 Whitevale Street, Glasgow, G31 1QW.

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

#### 20. Management Committee Member emoluments

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

#### 21. Retirement benefit obligations

Reidvale Housing Association 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.

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 Scheme operates on a 'last man standing' basis, meaning that in the event of an employer withdrawing from the Scheme and being unable to pay its share of the debt on withdrawal then the liability of the withdrawing employer is re-appointed amongst the remaining employers. Therefore, in certain circumstances the Association may become liable for the obligations of a third party.

The last triennial valuation of the scheme for funding purposes was carried out in September 2024. This valuation revealed a total deficit of £79.5m. A new recovery plan has therefore been put in place to eliminate the deficit, with deficit contributions due to re-start in April 2026 for the following four years.

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 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.

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

	2025 £	2024 £
Fair value of plan assets	4,841,000	4,968,000
Present value of defined benefit obligation	(5,541,000)	(5,671,000)
Defined benefit liability	<u>(700,000)</u>	<u>(703,000)</u>

**REIDVALE HOUSING ASSOCIATION**

**NOTES to the FINANCIAL STATEMENTS (continued)**

**For the year ended 31 March 2025**

**21. Retirement benefit obligations (cont.)**

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2025 £</b>
Defined benefit obligation at start of period	5,671,000
Current service cost	-
Expenses	8,000
Interest expense	272,000
Member contributions	-
Actuarial (gains) due to scheme experience	297,000
Actuarial (gains) due to changes in demographic assumptions	(533,000)
Actuarial (gains) due to changes in financial assumptions	-
Benefits paid & expenses	(174,000)
Defined benefit obligation at end of period	<u>5,541,000</u> =====
 <b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	 <b>2025 £</b>
Fair value of plan assets at start of period	4,968,000
Interest income	238,000
Experience on plan assets (excluding amounts included in interest income) – (loss)	(199,000)
Employer contributions	8,000
Member contributions	-
Benefits paid & expenses	(174,000)
Fair value of plan assets at end of period	<u>4,841,000</u> =====

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £39,000.

<b>Defined benefit costs recognised in statement of comprehensive income</b>	<b>2025 £</b>
Current service cost	-
Expenses	8,000
Net interest expense	34,000
Defined benefit costs recognised in statement of comprehensive income	<u>42,000</u> =====

# REIDVALE HOUSING ASSOCIATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2025

### 21. Retirement benefit obligations (cont.)

	2025 £
<b>Defined benefit costs recognised in other comprehensive income</b>	
Experience on plan assets (excluding amounts included in net interest cost) – (loss)	(199,000)
Experience gains and losses arising on the plan liabilities - gain	(297,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	533,000
Actuarial gains and losses	37,000
Total amount recognised in other comprehensive income – gain	37,000

### 22. Capital Commitments

	2025 £	2024 £
Expenditure contracted for but not in the accounts	1,748,578	-
Funded by:		
Social Housing Grant	1,207,932	-
Private Finance	540,646	-
Reserves	-	-
	1,748,578	-

### 23. Contingent Liability

The Trustee of the pension Scheme 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 2025, with the Court's determination expected no earlier than the summer of 2025. 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 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.