CLYDE VALLEY HOUSING ASSOCIATION LIMITED

GROUP REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Contents

Registration Particulars:

Financial Conduct Authority	Co-operative and Community Benefit Societies Act 2014 Registered Number SP2489RS
Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered Number 291
Scottish Registered Charity	Number SC037244

Clyde Valley Housing Association Limited

Board, Executives and Advisers
For the year ended 31 March 2026

Members of Board

The Members of the Board of the Association during the year to 31 March 2026, and up to the date of signing of these financial statements were as follows:

1. Andrew McFarlane Chair
2. Eleanor Walker (Member of Audit Committee)
3. Shannon Watson
4. Kenneth Gibb (Member of Audit Committee)
5. Stuart Dodson
6. Alan Newlands (Member of Audit Committee)
7. Neil McKay
8. Alison Glen
9. Deborah Boyle (resigned 18/11/25)
10. Rory Hughes
11. Ranald Brown (Member of Audit Committee)
12. Naomi Battison (filling a casual vacancy 16/03/26)

Registered Office
50 Scott Street
Motherwell
ML1 1PN

Auditor
RSM UK Audit LLP
Chartered Accountants
3rd Floor
2 Semple Street
Edinburgh
EH3 8BL

Internal Auditor
TIAA
West Regent Street
Glasgow
G2 2RQ

Bankers
Barclays Bank plc
Glasgow Campus
1-4 Clyde Place Lane
Glasgow
G5 8DP

Solicitors
Harper MacLeod
The Ca'd'oro
45 Gordon Street
Glasgow
G1 3PE

TC Young
7 West George Street
Glasgow
G2 1BA

Executive Team

The Executive Team of the Association during the year to 31 March 2026, and up to the date of signing these financial statements were as follows:

Carron Garmory	Chief Executive Officer
Fin Smith	Customer Services Director
Lisa Beresford	People Director
Natalya Macholla	Finance and Corporate Services Director (until 1 April 2026)
Sinclair Young	Director of Investment and Property Services (resigned May 2026)
Natalya Macholla	Director of Investment and Property Services (from 1 April 2026)

The Board presents their report and audited financial statements for the year ended 31 March 2026.

Chairman's Report

I am pleased to present the Chair's Report for the year ended 31 March 2026. This has been another strong year for Clyde Valley Housing Group, delivered against a challenging operating environment for the housing sector. The Group has continued to focus on providing high-quality services, maintaining strong governance and financial resilience, and investing in homes and communities while responding to increasing regulatory, economic and customer expectations.

Customer satisfaction with the overall service provided remained high at 90% during 2025/26. This reflects the ongoing commitment of colleagues across the Group to delivering services that matter to customers. I am encouraged by the commitment of our teams and their drive to continue to do better for our customers.

2025/26 was the first year of delivering on our Corporate Strategy 2025 to 2030 and it was a successful start to delivering this ambitious 5-year Strategy. A strategy that is driven by a desire to continually improve lives, deliver exceptional service, and raise standards in both homes and communities. It is underpinned by financial strength, robust risk management, and a culture of listening, learning, and excellence—ensuring that every action supports the wellbeing and aspirations of customers, employees, and the wider community.

I am proud to report that the first year of the Strategic Delivery Plan has provided a strong foundation for delivery of Clyde Valley's 2025–2030 Strategy, with clear progress made across our three strategic objectives. A number of important enabling projects have been completed, including the development of our Wellbeing Approach, EDI Roadmap, Asset Management Plan, Customer Engagement Framework, Sustainability Roadmap and IT Roadmap. These provide the organisation with stronger frameworks, clearer direction and improved assurance around how we will deliver for customers, communities, colleagues and the business over the life of the strategy.

The year has also helped to sharpen our future priorities. Several projects have progressed to a point where the next phase has been built into the 2026/27 Delivery Plan, including Quality First Time Resolution, Digital Services and Channel Development, and further work on understanding our assets.

Overall, Year One has demonstrated positive momentum, while also highlighting the need to remain flexible in response to capacity, compliance demands and changing business priorities. The progress achieved gives the Board confidence that the strategy is moving forward in a structured and purposeful way, with the right balance between delivery, reflection and continuous improvement.

I want to take this opportunity to thank the Board, the Customer Panel, the Teams at Clyde Valley and all stakeholders and partners who have supported us throughout the year for their contribution to another successful year and I look forward to continuing to deliver strong, positive outcomes for our customers.

Report of the Board of Management

The Board of Management (Board) presents its report and the audited financial statements for the year ending 31 March 2026.

Group Structure and Principal Activities

The Clyde Valley Group ("CVG", "the Group") is a thriving social business recognised for innovative and partnership approaches to meeting community needs. Owning and managing circa 5,000 homes we deliver high quality services to over 8,000 people across four local authorities in Scotland. Our services are delivered through our charitable Registered Social Landlord, Clyde Valley Housing Association, and our mid-market letting and property management subsidiary, Clyde Valley Property Services.

Each part of the Group is focussed on delivering excellence no matter what they do, and we remain firmly rooted in our communities, providing services tailored to the needs of our individual customers.

The Group's activities cover principally North Lanarkshire and South Lanarkshire, with interests in Glasgow and East Dunbartonshire. The Clyde Valley family comprises of:

- **Clyde Valley Housing Association Limited ("CVHA")** is the largest part of the Group and our main operating company with a 30-year track record of delivering housing management services. CVHA is incorporated in Scotland and is a Registered Social Landlord registered with the Financial Conduct Authority under the Cooperative and Community Benefit Societies Act 2014 and is also a Scottish charity. At 31 March 2026, CVHA owned or managed circa 4,900 affordable homes growing during the year following the completion of 54 new homes in the year.

- **Clyde Valley Property Services Limited ("CVPS")** is our wholly owned subsidiary of CVHA which provides management services to the Group's market and mid-market rented homes, provides property management services to over 3,300 customers who own their properties and manages a small portfolio of properties on behalf of private landlords. The principal activities of CVPS are to manage properties through Scottish Private Residential Tenancy Agreements at mid-market rents (MMR), as well as a range of activities not allowed to be undertaken by CVHA as a Scottish charity, such as commercial ventures, development of private homes for sale or rent and other income generating activities.

There are also 4 dormant subsidiary companies within the group – Avant Letting Services Limited; Clyde Valley Group Limited; Gravity Consultant Services Limited; and Nova Property Management Services Limited.

Objectives and Strategy

Our Corporate Strategy sets out the values, strategic themes and ambitions for CVG. The Group's long-term strategy to achieve its objectives is set out in the 30-year Business Plan, supported by annual operational targets and budgets.

Our vision is to shape a brighter future by building vibrant, inclusive communities.

Long-term thinking and horizon scanning are crucial elements of any strategy and business plan but trying to predict the future is extremely challenging. But what we know is that we are committed to doing better for our customers and enhancing every aspect of their experience with us. We know that creating sustainable homes and communities will require bold thinking and ambition.

We choose to do this because it demonstrates our commitment to not only providing housing but also fostering environments where people feel valued, supported and empowered. We want to focus on long term social impact, inclusivity, and community building alongside the wellbeing of our customers and the sustainability of our communities which goes beyond the house we provide.

Our Values

Our values are important to us and underpin everything we do. We have made sure our values are actionable so we can show how we live them every day through our behaviours inside and outside Clyde Valley Group. What's more, our customers can take it for granted that we can be trusted and will be respectful, honest, open, fair and inclusive.

- **BE** all about customer - customers are our first priority and they drive everything we do and how we do it. This means we will make sure we know our customers well, do the right thing, and always deliver on our promises.

- **BE** caring - most importantly we are people centred, we will listen and support customers and each other. We care about customers and each other.

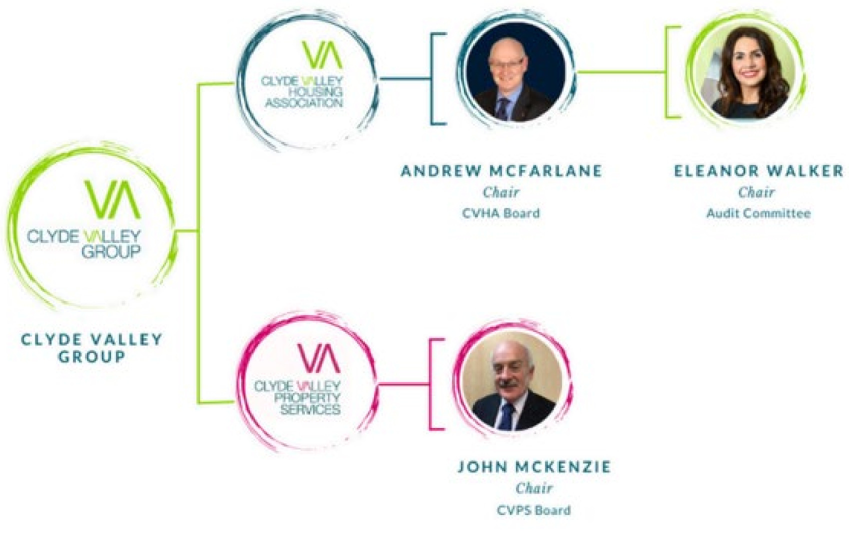
- **BE** inclusive – we create an environment where everyone feels comfortable and confident to be themselves, embracing differences and providing equitable opportunities for all.

- **BE** driven by excellence - our CVG team is relentless about doing better for customers, learning and focused on improving performance, doing more for customers and reducing customer effort.

***"Together we make the difference"* –** great teamwork matters, and we will work together in enjoying what we do and making life easier for customers.

Governance

The governing body of CVHA is the Board who are elected by the Share Members of the Association. It is the responsibility of the Board to develop the strategy, set the policy and provide overall direction. They also monitor the operational activities of the Association through a structure of Committees in addition to the main Board, who have specific remits detailing their roles and responsibilities. The governing structure of the Association is as follows:



The majority of the Members of the Board of Management serve in a voluntary capacity except for our Chair of CVHA Board, Chair of CVPS Board and Chair of Audit Committee. These roles are paid to reflect the increasing demands on their time and to provide for more robust succession planning.

The Board of Management in line with the Scottish Housing Regulator's Regulatory Framework, must achieve high standards in all their decision-making processes, and ultimately ensure the provision of first-class service delivery to their customers. All Board members undertake an annual appraisal, which also links into the Board Development and Training Plan.

The Executive Team of the Group is responsible for achieving the strategy outlined by the Board and undertaking the associated operational activities.

Our Customer Panel ensures that CVHA provides housing services that are of the highest standards to our customers and the communities where we have homes. Their main focus is to review housing service delivery and performance, review policies and procedures, provide scrutiny and to provide feedback and recommendations on how housing services can be improved.

Review of the year

This year, the first year of our ambitious new five-year Corporate Strategy, the Board and Executive Team have reviewed our progress together with the challenges and risks that currently face CVG and the wider housing sector in Scotland and across the UK.

As we reflect over the first year of our new Corporate Strategy, our passion and commitment for the communities in which we work is more evident than ever, along with our clear value of being 'all about customer'. At the root of this are our people who provide exceptional services and a solid platform in which to continually develop and evolve. Each part of the Group is focussed on delivering excellence no matter what they do, remaining firmly rooted in the communities we serve and providing services tailored to the needs of our individual customers.

The strategy sets a clear direction for the Group over the period 2025-2030, notably:

- A commitment to not only provide housing but also foster environments where people feel valued, supported and empowered.
- A focus on long term social impact, inclusivity and community building alongside the wellbeing of our customers and the sustainability of our communities.
- To deliver exceptional housing services that meet evolving customer needs.
- To empower our teams to do the right thing ensuring the right skills, experience and values are embedded.
- To raise our standards of home, environment and service; listen to our customers more and act on what they are telling us.
- Continue to build on our financial strength and resilience; enabling us to invest in our homes, improve our services, and overcome challenges that come our way.
- Making our services easy to access and straightforward and convenient to use – whether through digital platforms, customer service improvements, or clearer channels of feedback.

We remain committed to putting the people we work for at the heart of our services and continue to adapt what we do to meet our customers' changing needs and circumstances.

Our operating model puts customers even more at the heart of what we do, and our latest customer satisfaction survey carried out by Research Resource during the year revealed sector-leading levels of customer satisfaction. Recognition from our customers shows we are getting it right.

Equally important is having the right people in place to drive our vision forward. Our dedicated and skilled employees are at the heart of our new Strategy, and we are committed to attracting, developing, and retaining a workforce that is passionate about delivering exceptional service. By empowering our teams and fostering a culture of improvements and excellence, we ensure that our strategy is not just a plan on paper, but a commitment that will be delivered for years to come.

Our mission, values and Corporate Strategy builds on our three key strategic themes of:

- **People –** to create an environment where both our customers and employees feel valued, supported, and empowered to thrive. This means delivering outstanding service, providing clear communication, and fostering meaningful relationships that are built on trust and respect.

- **Place –** to provide high quality homes and safe, inclusive and sustainable communities where people feel safe and want to engage with their neighbour's and enjoy the areas where they live.

- **Progress –** ensure Clyde Valley operates a successful, sustainable business while striving for excellence in governance and a commitment to continuous improvement.

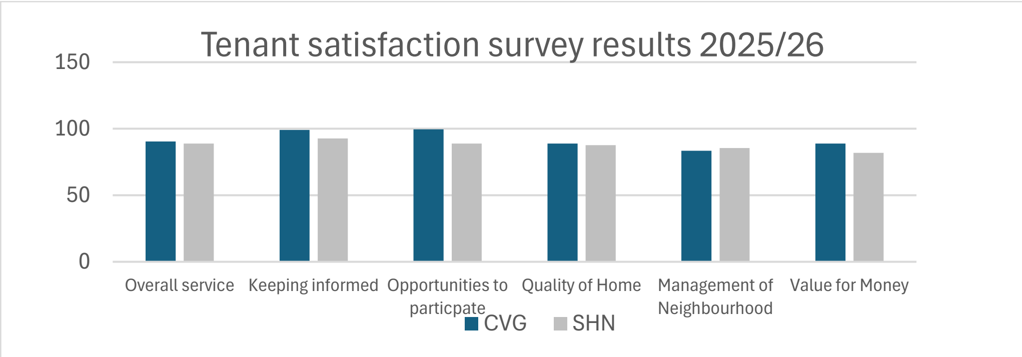
The diagram below shows how we will deliver on our objectives:

A summary of our work under each of our strategic themes is set out in this Strategic Report.

People

This year we have continued to carry out research with our customers to better understand customer expectations and how we can improve our approaches to keeping commitments and delivering quality outcomes.

Our customer-focussed way of working, and the range of ways we engage, helped us maintain the strong relationships we have with the people we work for and respond to their needs effectively. This was a year when our operating model made a real difference, and we demonstrated a high level of performance in key areas. Our review of our repairs service helped us further improve the service, and staff in our Contact Centre and frontline services continued to provide expert support to customers. This was borne out in the results of our recent independent tenant satisfaction survey which saw the Group achieve an overall satisfaction score of 90% (2024/25: 94.82%) above the Scottish average of 86.8% and placing us well as we head into our new Corporate Strategy. Our performance in our key indicators was close to or above 92% and above the Scottish average when compared against figures from Scotland's Housing Network members as shown in the table below:



Our customers play a key role in helping improve services, and our continued focus on customer insight and increasing opportunities for our customers to take part in decision making gives us stronger mechanisms to understand customers' priorities.

We know repairs is a priority for customers and we continued to use feedback from customers as well as direct engagement through our Customer Panel to help us improve the service during the year.

We completed 97.93% of repairs right first time and we continue to be 100% compliant with gas safety. We also continue to see improvements in our timescales for completing emergency and non-emergency repairs. Our average time to complete emergency repairs was 2.35 hours (in line with prior year) and non-emergency repairs was 6.57 days, up from 5.82 days last year.

We also continued to provide support to homeless people in 2025/26, allocating approximately 91 homes to homeless applicants over the year which equated to 39.41% of our lets. A key focus for the Group is supporting our customers to maintain their tenancies to achieve long term stability.

The Group's tenancy sustainment rate representing new lets which are sustained for more than a year was at 93.85% over the year, down slightly from 94.57% last year and above the 2025/26 Scottish Average of 88.89%.

This is a result that we are particularly proud of as we have worked hard to ensure our resources are where they are needed the most and that we are there to support those customers at a higher risk of having issues that might impact their ability to sustain their tenancy.

During 2025/26 we continued to work on building on our capacity and capability, embed our culture, modernise our people processes and really define our approach to equality, diversity and inclusion.

Our reputation has been earned through decisive, purposeful action, resulting in effective, sustainable solutions and a caring, compassionate ethos that puts the people we work for and our colleagues first and at the heart of our thinking, planning and actions.

Developing our approach to EDI during 2025/26 provides an important opportunity to strengthen our culture, ensure fairness and inclusion are embedded in how we work, and better reflect the diverse needs and experiences of our people and communities going forward.

We continued to put a focus on wellbeing across Clyde Valley and refreshed our approach to wellbeing by developing and embedding our Wellbeing Wheel focussing on key aspects of individuals wellbeing to ensure a balanced approach across all colleagues.

As we look ahead, we will:

- Develop our digital offering to our customers so that they can easily complete key transactions online through a modern, accessible website, self-service portal and chatbot—reducing avoidable calls and emails and improving satisfaction.
- Continue to create an inclusive and diverse culture that supports our employee’s wellbeing.
- Continue to embed a culture of organisational excellence.

Place

We completed 54 new homes over the year for social rent and have plans to complete a further 65 in the next 12 months.

We recognise that our housing stock represents our most valuable asset and our largest liability in investment terms.

We have invested significantly in improving our stock, including its energy efficiency. We continue to strive to understand our assets more and this is a key focus for us during 2026/27 as we continue to strengthen our property data with more enhanced stock condition survey information to allow us to continue to plan investment that keeps our properties well maintained but also meets the

A greater focus on our green and open spaces, estate management and communal areas – all areas that we are conscious we need to improve upon to further improve customer satisfaction and demonstrate value for money for our customers.

We recognise that we have a responsibility to embed sustainability across every aspect of our business. During 2025/26 we developed our Sustainability Roadmap defining what Sustainability means for CVG.

> “Sustainability is about how we run our whole organisation – not just how we manage our homes. It means delivering every service in a way that reduces our environmental impact, cuts carbon emissions and uses resources responsibly. It means ensuring our homes remain affordable, warm and energy efficient, while tackling fuel poverty and supporting the wellbeing of our customers who live in them. Most importantly, it’s about making thoughtful, future-focussed and responsible decisions across everything we do, so Clyde Valley remains strong, resilient and

> able to continue supporting our communities for generations to come – hand-in-hand with our valued customers who call our homes theirs."

Our roadmap underpins our commitments aligned to our corporate priorities.

During 2026/27 we will:

- Continue with our ambition to Regenerate Douglas Community in South Lanarkshire and will focus on the demonstrator project which will provide detailed and robust assurance and lessons to take forward into the full regeneration phase should this be feasible to go ahead.
- Ensure we have a full understanding of our assets to allow clarity on future investment in our properties, particularly relating to ensuring customers' homes are affordable and provide value for money.

Progress

Despite the many challenges we faced over the year, we continued to maintain high levels of performance across the indicators we report to the Scottish Housing Regulator.

Our gross rent arrears at the end of 2025/26 stood at 3.23%, well within our target remaining consistent with what was reported in 2024/25 and better than the 2024/25 Scottish average of 6.2%. The average days to re-let our homes was 45.98 which is better than the Scottish average of 60.59 days.

At CVG we recognise the need to focus on delivering value for money for our customers and it has and remains a key objective for us.

Good quality data is fundamental to ensuring that we make the right decisions, based on robust information, evidence and insight. Over the last 18 to 24 months, we have placed greater emphasis on data quality, reporting and the way information is used across the business. During 2026 to 2028, data and reporting is one of our key priorities and we will continue to improve the quality, consistency and accessibility of our data, working closely with our IT partner to identify the best solution for creating a single, reliable source of truth.

Our Group structure and focus on driving operational cost efficiencies has given us the ability and capacity to respond to the financial challenges that the housing sector has experienced over the last few years. Despite these external economic factors, the Group produced a strong and resilient financial performance in 2025/26, whilst protecting the services that are so important to our customers.

Value for money services and keeping rents affordable has always been an important strategic aim and evermore so during times of financial pressure. We need to strike the right balance between affordability for our customers during this continued period of pressure on household budgets against the ongoing financial viability of our operations and the preservation of investment in our homes and services to customers. Through our customer satisfaction survey, we ask customers if they feel that their rent represents 'value for money'. The results from our 2025-26 survey shows that 89% of our customers felt that their rent represented value for money. This is a slight drop from our previous 2024-25 survey (92%) but significantly above the Scottish average reported in 2025/26 (85.7%).

The CVHA Board forms the heart of the group governance structure. As the Parent company, CVHA retains governance responsibilities associated with the Group Business Plan, approval of budgets and financial plans, the appointment of Governing Board members and is responsible for the Annual Assurance Statement sign off.

Governance excellence is a key priority for CVG, and we continue to develop and demonstrate evidence of assurance to ensure Board and Committees are furnished with the right information to constructively challenge, add value to the thinking and be fully assured that strong governance is in place. Both CVHA and CVPS have experienced Board members with the skills to provide effective governance and oversight.

In 2025/26, our Board assessed compliance with all Regulatory requirements in preparation for our annual Assurance Statement that was submitted to the SHR in October 2025. The Board signed off on this statement after receiving the assurance it required that the Association was complying with the Regulatory Requirements detailed in Chapter 3 of the SHR's Regulatory Framework. At the end of 2025/26, the SHR published our annual Engagement Plan which confirmed we are Compliant with the Regulatory Framework. It also noted that we are considered a 'Systemically Important' RSL on account of our size, turnover and level of borrowings.

Financial Review

This year saw us navigate a still volatile economic climate and higher than expected costs of doing business. Despite these external economic factors, the Group produced a strong and resilient financial performance in 2025/26 whilst continuing to deliver all of the services that are so important to our customers.

As shown in the Statement of Comprehensive Income, total turnover increased to £31.7m, up from £30.8m in 2024/25. The increase of £0.9m is driven by a modest increase in our social housing rents from the previous year.

Turnover generated in the Group's core social letting business from rents and service charges grew to £26.7m up from £25.6m in the prior year, an increase of £1.1m linked to our rent increase plus additional homes completed in the new build programme. Non-social housing activities continue to represent a relatively small proportion of the Group's overall turnover.

Over the year we have seen operating expenditure increase from £19.71m to £23.8m, an increase of £4.1m in the year. This was driven by investing in our assets in the year ensuring that these are maintained to a high standard where our tenants feel safe and secure. It is important to note, similar to our turnover, this increase is largely driven by the costs incurred attributed to affordable letting (2025/26: £21.98m – 2024/25: £17.98m).

Over the year, the Association spent £6.4m maintaining and improving housing stock. Of the £6.4m, £5.2m (2024/25: £3m) was spent on reactive and planned maintenance activities with £1.2m (2024/25: £0.75m) spent on new components to replace existing components (bathrooms, boilers, kitchens, etc.) which had come to the end of their useful lives.

The interest paid on the Association's loans remained stable at £5.9m, compared to £6.3m in the previous year. This consistency is indicative of our prudent treasury management and balanced debt portfolio. The movement on the fair value of financial instruments has resulted in these decreasing at the year-end by £229,091 compared to a decrease in the previous year of £324,954.

During the year, the Group's association with Innov8 ceased which resulted in transfer of properties to CVHA and the receipt of gift aid to CVHA of £1,058,00.

The overall outturn for the year has resulted in the Group making a surplus of £4.3m (2025: £6.4m) after providing for Corporation Tax of £16,605 (2025: £nil) and any movement in the actuarial value of the pension.

The Statement of Financial Position reflects the results of the year, with reserves rising to £54m from £49.7m. Social housing properties also increased in value this year representing the long-term value in investment in customers' homes and the investment in the new build programme which has seen a total of 54 new homes completed in the year.

Debt and gearing levels remain sustainable with long term loans of £130m (2024/25: £129.7m) and gearing levels of 46.5% (2024/25 46.2%). The Association has cash balances of £4.5m at the year end with access to considerable undrawn borrowing facilities of £12.5m (2024/25 £17m) which will be used to fund our continuing development programme.

The Group continued to deliver robust cashflows from its core operations generating a cash inflow of £13.7m (2024/25: £14.3m). In the year we drew £4.5m (2024/25: £3m) from our Bank of Scotland revolving credit facility of £20m, with operational cashflows and available liquidity more than sufficient to fund our significant capital investment of £3.5m and new build programme of £1.3m for the coming year.

Rental cashflows remained strong and dependable with arrears levels being closely monitored.

After taking account of investing and financing activities, cash and cash equivalents were £4.5m (2024/25 £2m); an increase of £2.5m in the year.

Credit Payment Policy

The Association's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The Purchase Ledger system is set to generate an automatic payment 28 days after the date of invoice. Where creditors have shorter payment terms these are adhered to.

Treasury Management

A vital element and driver of the Group's activities is treasury management. The Group carries out treasury activities supporting the funding needs of the Group within the framework of the Treasury Management Policy.

CVHA has an agreed loan facility of £80m fully drawn with lenders Bank of Scotland (part of Lloyds Banking Group) and Barclays Bank. This has all been fully drawn and repayments are being made annually to this loan. There is also a £20m revolving credit facility with Bank of Scotland and a £70m private placement with Canada Life which has been fully drawn. The relationship the Association has with our lenders is very important to us and we look forward to continuing to work in partnership with these key stakeholders.

Our lenders have set minimum levels of interest cover and maximum gearing covenant tests that must be met. Our results were well within the parameters set, therefore meeting all covenants.
The Bank of Scotland Revolving Credit Facility is a Sustainability linked Loan and with agreed additional covenant requirements to meet the sustainability element of the loan. 2025/26 can report these as:

	KPI 1	**KPI 2**	**KPI 3**
SPT	Tenancy sustainment rate and rate of new tenancies with homeless person(s)	Percentage of existing properties with EPC C or above (excluding new homes completed on and after 1 April 2024 and Exemptions as defined in the Social Housing Net Zero Standard)	The average SAP score for all new homes delivered
KPI Target	95% sustainment rate and 25% new lets to homeless person(s)	92.5%	87
KPI Outcome	93.85% and 39.41%	92.7%	88
SPT Achieved	Achieved on KPI (ii) not on KPI (i)	Yes	Yes

The Group has active treasury management controls, which operate in accordance with the Treasury Management Policy which is reviewed and approved by the Board annually. In this way the Group manages cash flow and borrowing arrangements to ensure that it is always able to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held. CVHA, as a matter of policy, does not enter transactions of a speculative nature. As of 31 March 2026, CVHA had a mix of fixed and variable rate finance, which it considers appropriate at this time.

Going Concern

The Board has a reasonable expectation that the Association and its subsidiary, CVPS, have adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in the preparation of the Group's financial statements.

The Group prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in March 2026 by the Board. As well as considering the impact of several scenarios on the business plan the Board also considered stress testing against the base plan which included updated scenarios in recognition of the current operating environment of the Group. These updated scenarios included severe but plausible downsides. The stress testing impacts were measured against loan covenants and peak borrowing levels with potential mitigating actions identified. The Board also reviewed the Group budgets for 2026/27 and the Group's financial position as forecast in the 30-year business plan. As part of their considerations around going concern, the Board has considered the following factors:

- Rent and service charge receivable – arrears and bad debt assumptions have been reviewed in light of the current cost of living crisis and to allow for customer difficulties in making payments and budget and business plan scenarios updated to take account of potential future changes in rent increases.
- The property market – budget and business plan scenarios have taken account of delays, rising costs, productivity and labour shortages, and reprofiled new build handovers.
- Maintenance costs – budget and business plan scenarios have been modelled to take account of the profile of repairs and maintenance expenditure and any potential rephasing of major works in future years.
- Development activity – forecast development expenditure has been modelled to take account of revised investment profiles.
- Liquidity – review of current available cash unutilised loan facilities which gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period.
- The Group's ability to withstand other adverse scenarios such as higher interest rates and increases in the number of void properties.

The Board believes the Group has sufficient funding in place and expect the Group to meet its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board is confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Risk and Control Framework

The Group recognises the importance of effective identification, evaluation and management of all key strategic and operational risks, and this is a requirement set out by the Scottish Housing Regulator's Regulatory Standards: "the governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose".

Risk management is a key element of the Group's overarching governance arrangements as it demonstrates that the Group has considered those areas which put the achievement of its strategic objectives under threat, that it has analysed the consequences of things going wrong and identified the actions and controls needed to prevent or limit these consequences, in accordance with agreed levels of risk appetite.

As the parent company, CVHA oversees the governance arrangements to address the risks associated with control of activities, and managing the risks, of all subsidiaries; to ensure that there is an appropriate use of funds across the Group; to ensure that risks to the core business of the Group are managed and mitigated to within risk appetite and that strong governance arrangements are upheld by all subsidiaries to protect the reputation of the Group.

Risk management within the Group is designed to identify and mitigate risks to the achievement of the Group's Strategic Plans. Risks in relation to delivery of strategic outcomes are captured at a corporate level and at a local management team level, with an established escalation method in place.

A Risk Management Framework is in place to provide clarity on the governance and methodology used for risk management. The Board has overall responsibility for ensuring the effectiveness of this framework. The Board also agrees risk appetite levels that are embedded within the Group's risk profile

and used to determine the Group's approach to managing risk. The Executive Team facilitates the Risk Management Framework and processes. Its role is to ensure compliance with the Risk Management Framework, including monitoring of the Group's risk profile to ensure it is kept up to date, new and emerging risks are identified, and risk scores are challenged.

Risk Management forms an integral part of the culture and the way the Group is run. Risk Management is incorporated and embedded into business plans across the organisation (e.g. service improvement plans, project plans, team plans, individual plans). In this way, Risk Management is not the responsibility of senior management alone, but more appropriately the responsibility of all colleagues.

Our Strategic Risk Register is reviewed twice annually by the Board and quarterly by the Audit Committee.

The risks scored the most critical are set out in the list below:

- Failure to keep our systems safe from Cyber-attacks.
- Failure to comply with relevant health and safety legislation and regulation.
- Business Plan and Budget assumptions are not achievable.
- Disaster Recovery/Business Continuity.
- Failure to deliver Customer Promises.
- Failure to invest in and maintain stock to meet current and future legislative and regulatory standards.
- Failure to meet applicable regulatory requirements.
- Failure to have an organisational culture and strategy to attract and retain staff.

Mitigations for each of these are detailed within the Strategic Risk Register. The Group also continues to review new and emerging risks as part of its horizon scanning, updating its risk registers as and when they arise.

Board and Officer Insurance

The Association has purchased and maintains insurance to cover its Board and officers against liabilities in relation to their duties on behalf of the organisation, as authorised by the Association's Rules. Directors' indemnity policies are in place for the directors of CVPS as disclosed in the CVPS accounts.

Disclosure of Information to the Auditor

The members of the Board at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditors are unaware. They confirm that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Auditor

A resolution for the reappointment of RSM UK Audit LLP, as auditors of the Association, will be proposed at the Annual General Meeting.

By Order of the Board

Andrew McFarlane
Chairperson

Clyde Valley Housing Association Limited

Statement of Board's Responsibilities.
For the year ended 31 March 2026

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Clyde Valley Housing Association, and of the Group, and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Board is responsible for instituting adequate systems of internal control and for:

- safeguarding assets
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association, and of the Group, and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, The Housing Scotland Act (2010) and the Determination of Accounting Requirements – February 2019.

The Board is responsible for the maintenance and integrity of the financial information included on the Clyde Valley Group website.

By Order of the Board

Position: Chairperson

Date:

Clyde Valley Housing Association Limited

Board's Statement of Internal Financial Control
For the year ended 31 March 2026

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

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

It is the Board'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 or failure to meet objectives. Key elements of the Association's systems include ensuring that:

- formal policies and procedures are in place, including the on-going documentation of key systems and rules relating to the delegation of authority which allow the monitoring of controls and restrict the unauthorised use of the Association's assets;
- experienced and suitably qualified staff take responsibility for the important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the Executive Management Team and Board to monitor the key business risks, financial objectives and progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly management accounts 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 Board;
- the Audit Committee and Board receives reports from management and from the external and internal auditors, to provide reasonable assurance that control procedures are in place and are being followed, and that a general review of the major risks facing the Association is undertaken; and
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal and external audit reports.
- An internal auditor has been appointed in accordance with the requirements of Guidance note 97/06. An audit plan was set and completed for the year. The results of the work confirm that there were reviews undertaken over financial areas in year.

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

By Order of the Board

Position: Chairperson

Date:

Clyde Valley Housing Association Limited

Report by the Auditors to the members of Clyde Valley Housing Association Limited 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 23 concerning the Association's compliance with the information required by the Regulatory Standards for systemically important RSLs in respect of internal controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council through enquiry of certain members of the Board and Officers of the association and examination of relevant documents. 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 23 has provided the disclosures required by the relevant Regulator Standards for systemically important RSLs 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.

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
3rd Floor
2 Semple Street
Edinburgh
EH3 8BL

Date………………………

Opinion

We have audited the financial statements of Clyde Valley Housing Association (the 'Association') and its subsidiaries (the 'Group') for the year ended 31 March 2026 which comprise the Group Statement of Comprehensive Income, Statement of Comprehensive Income - Association, Group Statement of Financial Position, Statement of Financial Position - Association, Group Statement of Changes in Reserves, Association Statement of Changes in Reserves, Group Statement of Cashflows, Statement of Cashflows - Association and 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Association's affairs as at 31 March 2026 and of its income and expenditure of the Group and the income and expenditure of the Association for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 – February 2019.

Basis for opinion

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Co-operative and Community Benefit Societies Act 2014 and report in accordance with regulations made under those Acts.

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 Group and parent 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 Board'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 group's or the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board 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 Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- proper books of account have not been kept by the association in accordance with section 75; or
- a satisfactory system of control over transactions has not been maintained by the association in accordance with section 75; or
- the income account and the balance sheet are not in agreement with the books of account of the association; or
- we have not obtained all the information and explanations which, to the best of our knowledge and belief, we consider necessary for the purposes of our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board’s Responsibilities set out on page 19, the Board 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 Board 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 Board 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 Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on 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 the Board, with the 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 group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and the Association operates in and how the group and 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;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Housing (Scotland) Act 2010, the Housing SORP and the Scottish Housing Regulator's Determination of Accounting Requirements – February 2019. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are the Housing (Scotland) Acts 2006, 2014 and 2025, the Co-operative and Community Benefit Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Scottish Housing Regulator's regulatory framework and the Data Protection Act. We performed audit procedures to inquire of management and those charged with governance whether the Association is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the existence, completeness, and valuation of income as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered outside the normal course of business, in relation to management override of internal controls. Audit procedures in relation to assertion risks for income included but were not limited to substantive analytical review to test the grant and rental income that was recognised, selecting a sample of rental income to assess whether it was recognised in accordance with rent review letters or signed tenancy agreements which agree to the housing management system and corroborating a sample of other income to supporting documentation.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at: https://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 and the Charities and Trustees Investment (Scotland) Act 2005. 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.

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
3rd Floor
2 Semple Street
Edinburgh
EH3 8BL

Date:

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Clyde Valley Housing Association Limited

Group Statement of Comprehensive Income
For the year ended 31 March 2026

	Notes	2026 £	2025 £
TURNOVER	2	31,747,933	30,840,312
Operating expenditure	2	(23,674,646)	(19,709,934)
OPERATING SURPLUS		8,073,287	11,130,378
Gain on Revaluation of Housing Investment Properties		7,614	100,000
Interest receivable	6	145,085	194,067
Interest and financing costs	7	(5,169,573)	(5,698,631)
Movement in fair value of financial instruments		229,091	324,954
Gift Aid		1,058,000	-
(Loss)/Gain on disposal of property, plant and equipment		(50,026)	133,677
Profits from Associate	12	7,872	164,234
SURPLUS BEFORE TAX		4,301,350	6,348,679
Taxation		(16,605)	36,061
SURPLUS FOR THE YEAR		4,284,745	6,384,740
Actuarial Gain in respect of defined benefit pension scheme	26	90,000	68,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,374,745	6,452,740

The accompanying notes form part of these financial statements.

Clyde Valley Housing Association Limited

Statement of Comprehensive Income - Association
For the year ended 31 March 2026

	Notes	2026 £	2025 £
TURNOVER	2	30,825,488	29,940,679
Operating expenditure	2	(22,838,389)	(18,910,290)
OPERATING SURPLUS		7,987,099	11,030,389
Interest receivable	6	173,538	214,109
Interest and financing costs	7	(5,169,573)	(5,698,631)
Movement in fair value of financial instruments		229,091	324,954
Gift Aid		1,058,000	-
(Loss)/Gain on disposal of property, plant and equipment		(50,026)	133,677
Profits from Associate	12	7,872	164,234
SURPLUS BEFORE TAX		4,236,001	6,168,732
Taxation		-	-
SURPLUS FOR THE YEAR		4,236,001	6,168,732
Other Comprehensive Income		-	234,448
Actuarial Gain in respect of defined benefit pension scheme	26	90,000	68,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,326,001	6,471,180

The accompanying notes form part of these financial statements.

Clyde Valley Housing Association Limited

Group Statement of Financial Position
For the year ended 31 March 2026

	Notes	2026 £	2025 £
FIXED ASSETS			
Housing properties	10.A	387,430,227	386,486,929
Other fixed assets	10.B	3,862,233	3,634,922
Investment properties	11	2,397,999	2,338,000
Fixed asset investments	12	-	3,430,128
Intangible assets	14	12,000	24,000
		393,702,459	395,913,979
CURRENT ASSETS			
Work in progress and Properties held for sale	15	3,672,423	836,585
Trade and other debtors	16	1,383,133	2,624,938
Cash and cash equivalents		4,507,049	2,014,314
		9,562,605	5,475,837
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	17	(14,001,679)	(11,506,004)
NET CURRENT LIABILITIES		(4,439,074)	(6,030,167)
TOTAL ASSETS LESS CURRENT LIABILITIES		389,263,385	389,883,812
Creditors: amounts falling due after more than one year	18	(334,462,279)	(339,367,427)
Defined benefit pension liability	26	(766,000)	(856,000)
		(335,228,279)	(340,223,427)
TOTAL NET ASSETS		54,035,106	49,660,385
RESERVES			
Share Capital	22	40	64
Income and Expenditure Reserve		54,035,066	49,660,321
TOTAL RESERVES		54,035,106	49,660,385

The financial statements on pages 25 to 67 were approved by the Board and authorised for issue on ……………………. and are signed on its behalf by:

Chairperson

Secretary

Board Member

Clyde Valley Housing Association Limited

Statement of Financial Position - Association
For the year ended 31 March 2026

	Notes	2026 £	2025 £
FIXED ASSETS			
Housing properties	10.A	387,647,032	386,703,235
Other fixed assets	10.B	3,862,233	3,634,922
Fixed asset investments	12	-	3,430,128
Investment in subsidiaries	13	1	1
		391,509,266	393,768,286
CURRENT ASSETS			
Work in progress and Properties held for sale	15	3,259,177	423,339
Trade and other debtors	16	1,496,526	2,757,967
Cash and cash equivalents		4,469,031	1,990,323
		9,224,734	5,171,629
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	17	(13,656,149)	(11,192,889)
NET CURRENT LIABILITIES		(4,431,415)	(6,021,260)
TOTAL ASSETS LESS CURRENT LIABILITIES		387,077,851	387,747,026
Creditors: Amounts falling due after more than one year	18	(334,462,279)	(339,367,431)
Defined benefit pension liability	26	(766,000)	(856,000)
		(335,228,279)	(340,223,431)
TOTAL NET ASSETS		51,849,572	47,523,595
RESERVES			
Share Capital	22	40	64
Income and Expenditure Reserve		51,849,532	47,523,531
TOTAL RESERVES		51,849,572	47,523,595

The financial statements on pages 25 to 67 were approved by the Board and authorised for issue on ………………. and are signed on its behalf by:

Chairperson

Secretary

Board Member

Clyde Valley Housing Association Limited

Group Statement of Changes in Reserves
For the year ended 31 March 2026

	Income and expenditure reserve £
Balance at 1 April 2024	43,207,581
Surplus for the year	6,452,740
Balance as at 1 April 2025	49,660,321
Surplus for the year	4,284,745
Actuarial Gain in respect of defined benefit pension scheme	90,000
Balance as at 31 March 2026	54,035,066

Clyde Valley Housing Association Limited

Association Statement of Changes in Reserves
For the year ended 31 March 2026

	Income and expenditure reserve £
Balance at 1 April 2024	41,052,351
Surplus for the year	6,471,180
Balance as at 1 April 2025	47,523,531
Surplus for the year	4,236,001
Actuarial Gain in respect of defined benefit pension scheme	90,000
Balance as at 31 March 2026	51,849,532

Clyde Valley Housing Association Limited

Group Statement of Cashflows
For the year ended 31 March 2026

	Notes	2026 £	2025 £
Net cash generated from operating activities	23	13,754,794	14,301,591
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(6,812,203)	(10,761,162)
Capitalised component replacements		(1,086,381)	(1,177,499)
Purchase of other fixed assets		(180,425)	(149,036)
Proceeds on disposal of housing properties		1,500	244,951
Grants received		540,344	3,038,426
Interest received		144,703	194,067
NET CASH USED IN INVESTING ACTIVITIES		(7,392,462)	(8,610,253)
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid		(5,169,573)	(5,373,677)
Repayments of borrowings		(3,200,000)	(3,200,000)
Proceeds from bank loans		4,500,000	3,000,000
Net issue of ordinary shares		(24)	2
NET CASH FROM FINANCING ACTIVITIES		(3,869,597)	(5,573,675)
		(11,262,059)	(14,183,928)
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,492,735	117,663
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		2,014,314	1,896,651
CASH AND CASH EQUIVALENTS AT END OF YEAR	23	4,507,049	2,014,314

Clyde Valley Housing Association Limited

Statement of Cashflows - Association
For the year ended 31 March 2026

	Notes	2026 £	2025 £
Net cash generated from operating activities	24	13,659,548	14,365,824
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(6,812,203)	(10,761,162)
Capitalised component replacements		(1,033,996)	(1,077,499)
Purchase of other fixed assets		(180,425)	(149,036)
Proceeds on disposal of housing properties		1,500	244,951
Grants received		540,344	3,038,426
Interest received		173,538	214,109
NET CASH USED IN INVESTING ACTIVITIES		(7,311,243)	(8,490,211)
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid		(5,169,573)	(5,373,677)
Repayments of borrowings		(3,200,000)	(3,200,000)
New secured loans		4,500,000	3,000,000
Net issue of ordinary share capital		(24)	2
NET CASH FROM FINANCING ACTIVITIES		(3,869,597)	(5,573,675)
		(11,180,840)	(14,063,886)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,478,708	301,938
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,990,323	1,688,385
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	4,469,031	1,990,323

ACCOUNTING POLICIES

The principal accounting policies of the Group and Association are set out in the paragraphs below.

LEGAL STATUS

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Financial Conduct Authority. The Association is also registered with the Scottish Housing Regulator under the Housing (Scotland) Act 2010.

The address of the Company's registered office and principal place of business is 50 Scott Street, Motherwell, ML1 1PN.

The Association meets the definition of a public benefit entity.

The Association's principal activities are providing social rented accommodation, factoring services, and fees or revenue grants receivable from local authorities and from The Scottish Government. CVPS provides accommodation at mid-market rent, commercial rented properties and consultancy income.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Determination of Accounting Requirements 2019, and under the historical cost convention.

The financial statements are prepared in Sterling (£).

BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of CVHA and its subsidiary company, CVPS using acquisition accounting.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

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

Valuation of Investment Property

The Association estimates the value of its investment properties with reference to surveys carried out by external qualified surveyors.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT (continued)

Components of Housing Properties

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

Recoverable Amount of Rent Arrears and Other Debtors

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

Defined benefit obligation

Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases and is based on the input of the actuary. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses (as analysed in Note 26). The net defined benefit pension liability at 31 March 2026 was £766,000.

Categorisation of Housing Properties

In the judgement of the Board 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 FRS102.

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.

Going concern

The Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. This is based on the Group’s annual budget, 5 and 30-year Business plans for 2026, which was approved by the Board in March 2026. This continues to show a strong financial performance with significant investment in new supply of housing stock, management and maintenance of housing stock and full repayment of all borrowings in the lifetime of the plan. Various specific consideration of sensitivity scenarios as uncertainties have been considered in detail through sensitivity testing and monitored closely. Cash flows remain positive throughout the plan and all financial covenants, which are forecasts also, are met. These are closely monitored throughout. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover and revenue recognition

Turnover comprises rental and service charge income receivable in the period, income from shared ownership first tranche sales, sale of properties built for sale, other services provided at the invoice value (excluding VAT) and revenue grants receivable in the period. The CVPS turnover represents the sale of residential properties, rent from commercial income and consultancy income.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids.

Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the transaction.

Government Grants

Government grants include grants receivable from the Scottish Government, local authorities and other government bodies. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset under the accruals model. Where government grants are received for specific components, the amortisation rate used is that of the related component.

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

Other Grants

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

Other Income

Interest income
Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Investment income
Investment income is income generated from investment in associates.

Tangible Fixed Assets – Housing Properties

Housing properties are properties for the provision of social housing or to otherwise provide social benefit and are principally properties available for rent and shared ownership.

Completed housing and shared ownership properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes the cost of acquiring land and buildings, capitalised interest and expenditure incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income;
- A material reduction in future maintenance costs; or
- A significant extension to the life of the property.

Shared ownership properties are split proportionally between fixed assets and current assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset, and related sales proceeds are included in turnover.

Tangible Fixed Assets – Housing Properties (cont.)

The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment over the useful life of the asset. Where the first tranche has been sold prior to the acquisition of the properties, these are included in fixed assets only.

Donated Land and Other Assets

Land or other assets which have been donated by a government source is added to cost of assets at the fair value of the land at the time of the donation. The difference between the fair value of the asset donated and the consideration paid is treated as a non-monetary government grant and included within the Statement of Financial Position as a liability. The terms of the donation are considered to be performance related conditions. Where the donation is not from a public source, the value of the donations less the consideration is included in income.

Investment Properties

Investment properties (including properties held under an operating lease) consist of commercial properties and properties not held for social benefit. These properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available. Changes in fair value are recognised in income and expenditure. The valuation of these is carried out by a 3rd party as mentioned in Note 11.

These investment properties are held through CVPS and governed by the principles of the Companies Act 2006. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Board consider that, because investment properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view.

If this departure from the Companies Act 2006 had not been made in order to give a true and fair view, the surplus/deficit for the financial year would have been reduced by depreciation.

However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount relating to the depreciation of the property cannot be separately identified.

Associates

Undertakings in which the Association has significant influence (re the power to participate in the financial and operational decisions but does not control or have significant control over their policies) are classified as Associates. Under FRS 102 Clyde Valley Housing Association Ltd must recognise a share of the associate company's profit or loss in proportion to this shareholding and the addition relates to the Association's 42% share of the associate company of the year. However, under the terms of the shareholders' agreement the Association's ultimate return may differ from the 42% at the end of the agreement.

Intangibles

Intangibles are initially measured at cost and then subsequently amortised over its finite life. During 2021/22, CVPS purchased a customer list from Love Homes and the costs of this acquisition is written over a period of 5 years. This is based on the average time that a property is let for.

Depreciation of Housing Properties

Freehold land or assets under construction are not depreciated.

The Association separately identifies the major components of its housing properties and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight-line basis over the following years:

Buildings	70 years
Land	Nil
Assets under construction	Nil
Windows & Doors	30 years
Kitchens	20 years
Sanitary Ware	30 years
Roof	55 years
Heating Boilers	15 years
Heating Carcass	30 years
Rewire	30 years
Render	30 years

Impairment of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the RSL estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the income and expenditure account.

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

Other Tangible Fixed Assets

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Land & Buildings	50 years
Leasehold improvements	30 years
Plant and other equipment	4 years
Office equipment	4 years
Fixtures and fittings	4 years
Computer equipment	4 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Borrowing Costs

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

All other borrowing costs are expensed as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Work in progress comprises buildings under development and is valued on the basis of direct cost-plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Taxation

Clyde Valley Housing Association Limited has charitable status and is registered with the Office of Scottish Charities Regulator and is therefore exempt from paying Corporation Tax on charitable activities. CVPS is a commercial subsidiary and is liable to Corporation Tax and has the option to donate its profits to the charity through the gift aid scheme once all other liabilities due to the Parent are settled.

VAT

The Group and the Association is VAT registered, and have a Group VAT structure, however a large proportion of income, namely rents, is exempt for VAT purposes therefore giving rise to a Partial Exemption calculation. Expenditure is shown inclusive of VAT.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward up to 5 days of any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

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

Retirement Benefits

The Association is a member of SHAPS define pension scheme which is accounted for as a defined benefit obligation in line with FRS 102. The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates.

As at the year ended 31 March 2026, the net defined benefit pension deficit liability was £766,000 (2025: £856,000), which has been included within the provisions for pensions liability in the financial statements. In the year ended 31 March 2026, the current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period within the income and expenditure account. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income. Refer to Note 26 for more details.

Financial Instruments

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all its financial instruments.

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument and are offset only when the Association currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. These instruments are valued by the lenders.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income and expenditure.

Financial liabilities

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value, at each reporting date. Fair value gains and losses are recognised in profit or loss unless hedge accounting is applied and the hedge is a cash flow hedge.

Derivatives (cont.)

To qualify for hedge accounting, the Association documents the hedged item, the hedging instrument and the hedging relationship between them, and the causes of hedge ineffectiveness (such as different maturities, nominal amounts or variable rates, and counterparty credit risk).

The Association elects to adopt hedge accounting for interest rate swaps where:

- the interest rate swap is a qualifying hedging instrument with an external party that hedges interest rate risk on a loan, part of the nominal amount of a loan, or a group of loans managed together that share the same risk and that qualify as a hedged item;

- the hedging relationship between the interest rate swap and the interest rate risk on the loan is consistent with the risk management objectives for undertaking hedges (i.e. to manage the risk that fixed interest rates become unfavourable in comparison to current market rates or the variability in cash flows arising from variable interest rates); and

- The change in the fair value of the interest rate swap is expected to move inversely to the change in the fair value of the interest rate risk on the loan.

Provisions

Provisions are recognised when the Association has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT – GROUP

	Notes	Turnover £	Operating Costs £	2026 Operating Surplus £	2025 Operating Surplus/(Deficit) £
Affordable letting activities	3	29,752,389	(21,113,527)	8,638,862	10,543,959
Other activities	4	1,995,544	(2,561,119)	(565,575)	586,419
Total		**31,747,933**	**(23,674,596)**	**8,073,337**	**11,130,378**
Total for previous reporting period		**30,840,312**	**(19,709,934)**	**11,130,378**	

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT – ASSOCIATION

	Notes	Turnover £	Operating Costs £	2026 Operating Surplus / (Deficit) £	2025 Operating Surplus / (Deficit) £
Affordable letting activities	3	29,752,389	(21,113,527)	8,638,862	10,547,958
Other activities	4	1,073,101	(1,724,862)	(651,761)	482,431
Total		**30,825,490**	**(22,838,389)**	**7,987,101**	**11,030,389**
Total for previous reporting period		**29,940,679**	**(18,910,290)**	**11,030,389**	

3. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM AFFORDABLE LETTING ACTIVITIES – GROUP

	General Needs Social Housing £	Supported Social Housing Accommodation £	Shared Ownership Housing £	Total 2026 £	Total 2025 £
Rent receivable net of service charges	26,517,199	-	-	26,517,199	25,405,665
Service charges	168,456	-	-	168,456	154,183
Gross income from rents and service charges	26,685,655	-	-	26,685,655	25,559,848
Less voids	(165,929)	-	-	(165,929)	(145,370)
Net income from rents and service charges	26,519,726	-	-	26,519,726	25,414,478
Grants released from deferred income	3,232,663	-	-	3,232,663	3,117,320
Revenue grants from Scottish Ministers	-	-	-	-	-
Other revenue grants	-	-	-	-	-
Total turnover from affordable letting activities	29,752,389	-	-	29,752,389	28,531,798
Management and maintenance administration costs	7,681,958	-	-	7,681,958	6,878,197
Service costs	333,089	-	-	333,089	174,487
Planned and cyclical maintenance including major repairs cost	1,504,939	-	-	1,504,939	763,092
Reactive maintenance costs	3,628,677	-	-	3,628,677	3,003,591
Bad debts - rents and service charges	601,109	-	-	601,109	37,146
Depreciation of affordable let properties	7,363,755	-	-	7,363,755	7,127,327
Impairment of affordable let properties	-	-	-	-	-
Operating Costs for affordable letting activities	21,113,527	-	-	21,113,527	17,983,840
Operating surplus or deficit for affordable letting activities	8,638,862	-	-	8,638,862	10,547,958
Operating surplus or deficit for affordable letting activities for previous reporting period	10,545,960	-	1,998	10,547,958	

3. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM AFFORDABLE LETTING ACTIVITIES – ASSOCIATION

	General Needs Social Housing £	Supported Social Housing Accommodation £	Shared Ownership Housing £	Total 2026 £	Total 2025 £
Rent receivable net of service charges	26,517,199	-	-	26,517,199	25,405,665
Service charges	168,456	-	-	168,456	154,183
Gross income from rents and service charges	26,685,655	-	-	26,685,655	25,559,848
Less voids	(165,929)	-	-	(165,929)	(145,370)
Net income from rents and service charges	26,519,726	-	-	26,519,726	25,414,478
Grants released from deferred income	3,232,663	-	-	3,232,663	3,117,320
Revenue grants from Scottish Ministers	-	-	-	-	-
Other revenue grants	-	-	-	-	-
Total turnover from affordable letting activities	29,752,389	-	-	29,752,389	28,531,798
Management and maintenance administration costs	7,681,958	-	-	7,681,958	6,882,196
Service costs	333,089	-	-	333,089	174,487
Planned and cyclical maintenance including major repairs costs	1,504,939	-	-	1,504,939	763,092
Reactive maintenance costs	3,628,677	-	-	3,628,677	3,003,591
Bad debts - rents and service charges	601,109	-	-	601,109	37,146
Depreciation of affordable let properties	7,363,755	-	-	7,363,755	7,127,327
Impairment of affordable let properties	-	-	-	-	-
Operating Costs for affordable letting activities	21,113,527	-	-	21,113,527	17,987,839
Operating surplus or deficit for affordable letting activities	8,638,862	-	-	8,638,862	10,543,959
Operating surplus or deficit for affordable letting activities for previous reporting period	10,541,961	-	1,998	10,543,961	

4. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES – GROUP

	Grants From Scottish Ministers £	Other Revenue Grants £	Supporting People Income £	Other Income £	Total Turnover £	Operating Costs Bad debts £	Other Operating Costs £	Operating Surplus Or deficit £	Operating Surplus Or Deficit For previous Reporting Period £
Wider role activities undertaken to support the community, other than the provision, construction, improvement and management of housing	-	-	-	-	-	-	-	-	-
Commercial property activities	-	-	-	178,790	178,790	-	530,043	(351,253)	-
Factoring	-	-	-	494,873	494,873	16,726	194,700	283,447	288,597
MMR	-	-	-	636,132	636,132	-	94,786	541,346	533,321
Rechargeable repairs	-	-	-	109,041	109,041	-	109,041	-	-
Contracted out services undertaken for other organisations	-	-	-	-	-	-	-	-	-
Medical adaptations	-	-	-	380,518	380,518	-	351,099	29,419	41,397
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Development abortive costs	-	-	-	-	-	-	479,696	(479,696)	-
Development other costs	-	-	-	-	-	-	761,647	(761,647)	(505,220)
Developments and improvements for sale to other organisations	-	-	-	-	-	-	-	-	22,667
Other activities	-	26,500	-	169,690	196,190	-	23,381	172,809	205,657
Total from other activities	-	26,500	-	1,969,044	1,995,544	16,726	2,544,393	(565,575)	586,419
Total from other activities for the previous reporting period	-	15,439	-	2,293,075	2,308,514	16,726	1,705,369	586,419	

4. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES – ASSOCIATION

	Grants From Scottish Ministers £	Other Revenue Grants £	Supporting People Income £	Other Income £	Total Turnover £	Operating Costs Bad debts £	Other Operating Costs £	Operating Surplus Or deficit £	Operating Surplus Or Deficit For previous Reporting Period £
Wider role activities undertaken to support the community, other than the provision, construction, improvement and management of housing	-	-	-	-	-	-	-	-	-
Investment property activities	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	-	-	-	-	-	-
MMR	-	-	-	479,897	479,897	-	-	479,897	456,477
Contracted out activities undertaken for registered social landlords	-	-	-	-	-	-	-	-	-
Contracted out services undertaken for other organisations	-	-	-	-	-	-	-	-	-
Medical adaptations	-	-	-	380,518	380,518	-	351,099	29,419	41,397
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Development abortive costs	-	-	-	-	-	-	479,696	(479,696)	-
Development other costs	-	-	-	-	-	-	761,647	(761,647)	(505,220)
Developments and improvements for sale to other organisations	-	-	-	-	-	-	-	-	-
Other activities	-	26,500	-	186,186	212,686	-	132,420	80,266	489,777
Total from other activities	-	26,500	-	1,046,601	1,073,101	-	1,724,862	(651,761)	482,431
Total from other activities for the previous reporting period	-	15,439	-	1,393,442	1,408,881	-	926.450	482,431	

5. ACCOMMODATION IN MANAGEMENT

	Group Units Under Management		Association Units Under Management	
	2026	**2025**	**2026**	**2025**
General needs housing	4,978	4,909	4,961	4,892
Shared ownership	-	1	-	1
Total units in management	**4,978**	**4,910**	**4,961**	**4,893**

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Interest on bank deposits	145,085	194,067	145,085	194,067
Group loan interest	-	-	28,453	20,042
	145,085	194,067	173,538	214,109

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Interest arising on:				
Bank loans and overdrafts	5,885,927	6,238,575	5,885,927	6,238,575
Amortisation of issue costs of bank loan	48,384	58,970	48,384	58,970
	5,934,311	6,297,545	5,934,311	6,297,545
Less: Interest capitalised on housing properties under construction	(764,738)	(598,914)	(764,738)	(598,914)
	5,169,573	5,698,631	5,169,573	5,698,631

Interest costs directly attributable to the financing of housing property developments were capitalised at the weighted average cost of the related borrowings (see note 10.A).

8. OPERATING SURPLUS

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Operating surplus is stated after charging/(crediting):				
Depreciation of housing properties	7,363,755	7,127,327	7,363,755	7,127,327
Depreciation of other tangible fixed assets (note 10.B) - Owned	158,848	120,798	158,848	120,798
Deficit on disposal of tangible fixed assets	(50,026)	133,677	(50,026)	133,677

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Audit services – statutory audit	35,370	33,056	28,700	26,244
Other services:				
Taxation compliance services	5,550	4,275	5,550	2,385
Consultancy	6,300	8,500	6,300	8,500

9. EMPLOYEES

	Group		Association	
	2026	**2025**	**2026**	**2025**
	No.	**No.**	**No.**	**No.**
The average monthly number of full-time equivalent persons (including key management personnel) employed by the Association during the year was:				
Office and Management/Administration	85	93	85	93

	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Staff costs for the above persons:				
Wages and salaries	3,880,918	3,979,304	3,880,918	3,979,304
Social security costs	506,546	423,992	506,546	423,992
Defined contribution pension cost	383,031	366,301	383,031	366,301
	4,770,495	4,769,597	4,770,495	4,769,597

9. EMPLOYEES (continued)

Key Management Personnel during the period comprised of:
Governance – The Board of Management;
Strategic Direction - The Leadership Team.

The number of key management personnel who received emoluments (excluding employers' pension contributions) in excess of £60,000 during the reporting period fell within the following bands:

	Group		Association	
	2026	**2025**	**2026**	**2025**
	No.	**No.**	**No.**	**No.**
£60,000 - £70,000	4	3	4	3
£70,001 - £80,000	1	1	1	1
£80,001 - £90,000	-	-	-	-
£90,001 - £100,000	3	2	3	2
£100,001 – £110,000	-	-	-	-
£110,001 - £120,000	-	-	-	-
£120,001 - £130,000	-	-	-	-
£130,001 - £140,000	1	1	1	1

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Aggregate emoluments for all key management personnel (excluding pension contributions)	778,237	665,930	778,237	665,930
The emoluments of the highest paid member of key management personnel (excluding pension contributions)	135,323	133,407	135,323	133,407
Aggregate pension contributions in relation to the above key management personnel	84,071	62,685	84,071	62,685

Remuneration was paid to the chair, chair of Audit committee of CVHA and chair of CVPS during the year amounting to £14,000 (2025 £14,000). This is allocated under administration fees.

10.A TANGIBLE FIXED ASSETS – HOUSING PROPERTIES – GROUP

	Social housing properties held for letting £	Housing properties for letting under construction £	Completed shared ownership housing properties £	Total housing properties £
Cost				
1 April 2025	426,751,983	32,165,810	195,606	459,113,399
Additions	1,438,000	6,812,203	-	8,250,203
Works to existing properties	1,229,601	-	-	1,229,601
Schemes completed	17,079,517	(17,079,517)	-	-
Disposals	(295,374)	(979,696)	(195,606)	(1,470,676)
31 March 2026	446,203,727	20,918,800	-	467,122,527
Depreciation and impairment				
1 April 2025	72,573,692	-	52,778	72,626,470
Depreciation charged in year	7,363,744	-	-	7,363,744
Released on disposal	(245,136)	-	(52,778)	(297,914)
31 March 2026	79,692,300	-	-	79,692,300
Net book value				
31 March 2026	366,511,427	20,918,800	-	387,430,227
31 March 2025	354,178,291	32,165,810	142,828	386,486,929

EXPENDITURE ON WORKS TO EXISTING PROPERTIES

	2026 £	2025 £
Replacement component spend capitalised	1,229,601	750,261
Amounts charged to income and expenditure	1,364,047	637,983
Total major repairs spend	2,593,648	1,388,244

FINANCE COSTS

	2026 £	2025 £
Aggregate amount of finance costs included in the cost of housing properties	4,850,190	4,085,452

The cost of land included above was £54,625,886 (2025: £53,845,885)

10.A TANGIBLE FIXED ASSETS – HOUSING PROPERTIES - ASSOCIATION

	Social housing properties held for letting £	Housing properties for letting under construction £	Completed shared ownership housing properties £	Total housing properties £
Cost				
1 April 2025	426,968,406	32,166,195	195,605	459,330,206
Additions	1,438,000	6,812,203	-	8,250,203
Works to existing properties	1,229,601	-	-	1,229,601
Schemes completed	17,079,517	(17,079,517)	-	-
Disposals	(295,374)	(979,696)	(195,605)	(1,470,675)
31 March 2026	446,420,150	20,919,186	-	467,339,336
Depreciation and impairment				
1 April 2025	72,573,696	-	53,275	72,626,971
Depreciation charged in year	7,363,744	-	-	7,363,744
Released on disposal	(245,136)	-	(53,275)	(298,411)
31 March 2026	79,692,304	-	-	79,692,304
Net book value 31 March 2026	366,727,846	20,919,186	-	387,647,032
31 March 2025	354,394,710	32,166,195	142,330	386,703,235

EXPENDITURE ON WORKS TO EXISTING PROPERTIES

	2026 £	2025 £
Replacement component spend capitalised	1,229,601	750,261
Amounts charged to income and expenditure	1,364,047	637,983
Total major repairs spend	2,593,648	1,388,244

FINANCE COSTS

	2026 £	2025 £
Aggregate amount of finance costs included in the cost of housing properties	4,850,190	4,085,452

Clyde Valley Housing Association Limited considers individual schemes to be separate cash generating units when assessing for impairment, in accordance with SORP 2018.

The cost of land included above was £54,325,886 (2025: £53,845,885).

10.B TANGIBLE FIXED ASSETS – OTHER – GROUP

Cost	Land and Buildings	Office Equipment	Plant and Other Equipment	Computer Equipment	Total
1 April 2025	4,599,168	279,743	16,202	1,133,330	6,028,443
Additions	-	-	-	386,159	386,159
Disposals	-	-	-	-	-
31 March 2026	4,599,168	279,743	16,202	1,519,489	6,414,602
1 April 2025	1,136,915	256,593	15,529	984,484	2,393,521
Depreciation charged in year	71,263	6,858	449	80,278	158,848
Released on disposal	-	-	-	-	-
31 March 2026	1,208,178	263,451	15,978	1,064,762	2,552,369
31 March 2026	3,390,990	16,292	224	454,727	3,862,233
31 March 2025	3,462,253	23,150	673	148,846	3,634,922

10.B TANGIBLE FIXED ASSETS – OTHER - ASSOCIATION

Cost	Land and Buildings £	Office Equipment £	Plant and Other Equipment £	Computer Equipment £	Total £
1 April 2025	4,599,168	279,743	16,202	1,133,330	6,028,443
Additions	-	-	-	386,159	386,159
Disposals	-	-	-	-	-
31 March 2026	4,599,168	279,743	16,202	1,519,489	6,414,602
1 April 2025	1,136,915	256,593	15,529	984,484	2,393,521
Depreciation charged in year	71,263	6,858	449	80,278	158,848
Released on disposal	-	-	-	-	-
31 March 2026	1,208,178	263,451	15,978	1,064,762	2,552,369
31 March 2026	3,390,990	16,292	224	454,727	3,862,233
31 March 2025	3,462,253	23,150	673	148,846	3,634,922

11. INVESTMENT PROPERTIES – GROUP

	2026 £	2025 £
At 1st April	2,338,000	2,238,000
Additions	52,385	-
Increase in value	7,614	100,000
At 31 March	2,397,999	2,338,000

Investment properties were valued as at 31 March 2026 by Allied Surveyors Scotland Chartered Surveys, Shepherd Chartered Surveyors and DM Hall LLP Chartered Surveyors. The valuation of the Association's properties was carried out in accordance with the Royal Institution of Chartered Surveyors ("RICS") Appraisal and Valuation Manual. A report has been provided for each property that has been valued by the Surveyors.

12. FIXED ASSET INVESTMENTS

	Group		Association	
Cost or valuation:	**Shares in trade investments £**	**Total £**	**Shares in trade investments £**	**Total £**
1 April 2025	3,430,128	3,430,128	3,430,128	3,430,128
Disbursement of shares	(1,438,000)	(1,438,000)	(1,438,000)	(1,438,000)
Grant release on disbursement	(2,000,000	(2,000,000)	(2,000,000)	(2,000,000)
Realisation on disbursement	7,872	7,872	7,872	7,872
31 March 2026	-	-	-	-

Clyde Valley Housing Association Ltd owned 2,000,002 ordinary £1 shares in Innov8 Housing Solutions Ltd. During the year a disbursement of shares was actioned in preparation of the cessation of the Associate company along with grant release. The remaining £7,872 was classed as other income within the statement of comprehensive income.

13. INVESTMENTS

	Group 2026 £	Group 2025 £	Association 2026 £	Association 2025 £
Investment in subsidiary undertaking	-	-	1	1

Clyde Valley Housing Association Ltd owns 1 ordinary £1 share in Clyde Valley Property Services Ltd. This represents a 100% shareholding in Clyde Valley Property Services Ltd, a company registered at 50 Scott Street, Motherwell, ML1 1PN, whose principal activity is that of provision of factoring property services to owners. As at 31 March 2026, the capital and reserves of Clyde Valley Property Services were £2,420,886 (2025: £2,355,537) with a profit for the year of £65,348 (2025: £220,029).

The Clyde Valley Group also has 4 dormant subsidiaries namely Avant Letting Services, Clyde Valley Group Limited, Gravity Consultant Services Limited and Nova Property Management Services Limited all registered at 50 Scott Street, Motherwell, ML1 1PN.

14. INTANGIBLES

	Total £
Valuation	
At 1 April 2024 and 31 March 2025	60,000
Amortisation	
At 1 April 2025	(36,000)
Charge for year	(12,000)
At 31 March 2026	(48,000)
Net book value	
At 31 March 2026	12,000
At 31 March 2025	24,000

On the 1 July 2021, CVPS purchased a customer list from Love Homes (Motherwell) Ltd and amortisation of the asset will be over 5 years.

15. WORK IN PROGRESS AND PROPERTIES HELD FOR SALE

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Work in progress	413,246	413,246	-	-
Incomplete renovation contracts	3,259,177	423,339	3,259,177	423,339
	3,672,423	836,585	3,259,177	423,339

16. DEBTORS

	Group		Association	
Amounts falling due within one year:	**2026** **£**	**2025** **£**	**2026** **£**	**2025** **£**
Rent and service charges receivable	1,164,785	1,072,736	1,164,785	1,072,736
Less: provision for bad and doubtful debts	(1,104,842)	(705,052)	(1,104,842)	(705,052)
	59,943	367,684	59,943	367,684
Other debtors	814,870	930,970	77,922	364,309
Prepayments and accrued income	508,320	1,326,284	508,280	1,326,060
Amounts due from Group undertakings	-	-	850,381	699,914
	1,383,133	2,624,938	1,496,526	2,757,967

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Association	
	2026	2025	2026	2025
	£	£	£	£
Debt (note 20)	4,200,000	3,200,000	4,200,000	3,200,000
Rent and service charges received in advance	1,354,668	1,185,938	1,354,668	1,185,938
Deferred capital grants (note 19)	2,947,837	2,991,762	2,947,837	2,991,762
Trade creditors	1,232,523	613,871	1,226,340	608,367
Other Tax and Social Security	132,938	126,240	116,335	102,691
Other creditors	174,851	298,952	48,754	178,825
Accruals and deferred income	3,958,862	3,089,241	3,762,215	2,925,306
	14,001,679	11,506,004	13,656,149	11,192,889

18. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Association	
	2026	2025	2026	2025
	£	£	£	£
Debt (note 20)	130,006,256	129,667,872	130,006,256	129,667,872
Deferred capital grant (note 19)	203,400,760	206,431,599	203,400,760	206,431,599
Retentions	574,975	558,576	574,975	558,577
Interest Rate SWAPS	480,288	709,380	480,288	709,380
Other Creditors	-	2,000,000	-	2,000,003
Pension Deficit	766,000	856,000	766,000	856,000
	335,228,279	340,223,427	335,228,279	340,223,431

19. DEFERRED CAPITAL GRANT GROUP AND ASSOCIATION

Social Housing only	Housing Properties Held for letting £	Housing Properties Course of Construction £	Shared Ownership Properties Held for letting £	Total Social Housing £
Gross Grant Creditor				
At 31st March 2025	228,921,996	14,787,054	115,618	243,824,668
Transfers	8,210,599	(7,964,568)	-	246,031
Grant Received in the year 2025/26	-	474,737	-	474,737
On Disposals 2025/26	-	(500,000)	(115,618)	(615,618)
Gross Grant Creditor as at 31st March 2026	237,132,595	6,797,223	-	243,929,818
Amortisation				
At 1st April 2025	(34,348,559)	-	(52,748)	(34,401,307)
Amortisation in the year	(3,232,662)	-	-	(3,232,662)
On Disposal 2025/26	-	-	52,748	52,748
Total Amortisation as at 31st March 2026	(37,581,221)	-	-	(37,581,221)
Net Grant Creditor				
As at 31st March 2026	199,551,374	6,797,223	-	206,348,597
As at 1st April 2025	194,573,437	14,787,054	62,870	209,423,361

Deferred Capital Grant due within 1 year	2,947,837
Deferred Capital Grant due after 1 year	203,400,760
Total deferred Capital Grant due	206,348,597

20. DEBT ANALYSIS – BORROWINGS

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Creditors: amounts falling due within one year:				
Bank loans	4,200,000	3,200,000	4,200,000	3,200,000
Creditors: amounts falling due after more than one year:				
Bank loans	130,520,000	130,220,000	130,520,000	130,220,000
Private Placement fees paid	(513,744)	(552,128)	(513,744)	(552,128)
Total	134,206,256	132,867,872	134,206,256	132,867,872

Borrowings are denominated and repaid in pounds sterling, have contractual interest rates that are either fixed rates or variable rates linked to SONIA that are not leveraged, and do not contain conditional returns or repayment provisions other than to protect the lender against credit deterioration or changes in relevant legislation or taxation.

Bank Borrowings of £134,720,000 (2025: £133,420,000) are secured against the Association's housing properties.

Bank Borrowings of £5,000,000 bear average fixed-rate coupons of 5.08% per annum (2025: 5.08%). Bank Borrowings of £55,220,000 bear average variable-rate coupons of 0.75% above SONIA (2025: 0.75%). Bank Borrowings of £70,000,000 bear average fixed rate coupons of 3.51%. Bank Borrowings of £4,500,000 bear average variable rate coupons of 1.0% above SONIA.

Variable rate borrowings are underpinned by financial hedging instruments as outlined in note 21.

Bank borrowings are part of a £146m facility with a repayment schedule in place up to 2050 and are subject to review annually as part of the Groups Business Planning Process. An additional £20m of bank borrowings were negotiated in June 2023 and any repayments due have been included in repayment schedules as mentioned above.

The private placement fees are in respect of the borrowings which were drawn down by the Association in June 2018 and October 2020.

	Group		Association	
	2026	**2025**	**2026**	**2025**
	£	**£**	**£**	**£**
Due within one year	4,200,000	3,200,000	4,200,000	3,200,000
Due in one year or more but less than two years	4,140,000	4,200,000	4,140,000	4,200,000
Due between two and five years	23,190,000	20,160,000	23,190,000	20,160,000
Due more than five years	102,676,256	105,307,872	102,676,256	105,307,872
	134,206,256	132,867,872	134,206,256	132,867,872

21. FINANCIAL INSTRUMENTS

	Group		Association	
	2026	2025	2026	2025
	£	£	£	£
Financial liabilities:				
Measured at fair value through income and expenditure				
- Other financial liabilities	480,288	709,380	480,288	709,380

In order to manage interest rate risk, the Association has entered into the following hedging instruments, which are in place as at 31st March 2026.

On 19th August 2003, an extendible fixed rate arrangement with Barclays Bank for £4 million at a rate of 4.26%. The arrangement commenced on 15 July 2006 for a 5-year term and was extendible for a further 15 years on 15 July 2011. However, the option for the bank not to extend this arrangement was bought out by CVHA on 24th May 2010 at a cost of £152,500 to be amortised in the accounts over the period until July 2026 so this instrument is now a non- callable fix.

On 11th October 2007, a callable SWAP agreement with Barclays Bank for £5 million at a rate of 4.23%. The arrangement commenced on 15 October 2007 for a 30-year term however has an optional termination date of 15 October 2008 and thereafter quarterly if not called at that date.

On 5th February 2008, a callable SWAP agreement with Bank of Scotland for £5 million at a rate of 4.42%. The arrangement commenced on 15 April 2008 for a 20-year term however had an optional termination date of 15 April 2013 which was not taken up by the bank so this SWAP is now fixed.

On 2nd May 2008, a SWAP agreement with Barclays Bank for £12.5 million at a rate of 4.94 %. The arrangement commenced on 15 July 2008 for a 25-year term. This arrangement replaced an interest rate SWAP agreement with the Clydesdale Bank for £7.450m and an interest rate cap from Barclays Bank for £5 million, which matured on 15 July 2008.

On 13th May 2008, a callable SWAP agreement with Bank of Scotland for £6.2 million at a rate of 5.24 %. This SWAP stepped up in value to £9.7m on 15th July 2010 to replace a cap and collar arrangement for £3.5m with LTSB, which expired on that date. The arrangement commenced on 15 July 2008 for a 20-year term however has an optional termination date of 15 July 2018 and thereafter quarterly if not called at that date.

On 20th August 2010 a forward fixed SWAP agreement with Barclays Bank for £5 million at a rate of 4.48% commencing on 15th July 2015 and expiring on 15th July 2025. This was reverted to a variable rate loan on that date with Bank of Scotland for £5 million.

22. SHARE CAPITAL

The Association is limited by guarantee and consequently has no share capital. Each of the Association's members agrees to contribute £1 in the event of the Association winding up.

	Group		Association	
	2026 Number	**2025 Number**	**2026 Number**	**2025 Number**
Number of members				
1 April 2025	64	62	64	62
Joined during the year	2	5	2	5
Left during year	(26)	(3)	(26)	(3)
31 March 2026	40	64	40	64

23. RECONCILIATION OF SURPLUS TO NET CASH GENERATED FROM OPERATIONS – GROUP

	2026 £	**2025 £**
Surplus for the year	8,073,287	11,130,378
Depreciation of tangible fixed assets	7,522,603	7,248,125
Fair value gain on investment properties	-	-
Amortisation of Grants	(3,220,663)	(3,117,320)
Loss on disposal of tangible fixed assets	50,026	133,677
Fair Value Adjustment to Investment Properties	(229,091)	100,000
W/O Prior Year Adjustments	-	190,046
W/O Aborted Development Costs	479,696	-
Operating cash flows before movements in working capital	12,675,858	15,684,906
(Increase)/Decrease in stock	(2,835,838)	(327,657)
Decrease/(Increase) in trade and other debtors	1,172,915	(96,248)
Decrease in trade and other creditors	2,741,859	(959,410)
Cash generated from operations	13,754,794	14,301,591

Cash and Cash Equivalents (Group)

	2026 £	**2025 £**
Cash and Cash Equivalents represent:-		
Cash at Bank	4,507,049	2,014,314
	4,507,049	2,014,314

24. RECONCILIATION OF SURPLUS TO NET CASH GENERATED FROM OPERATIONS – ASSOCIATION

	2026 £	2025 £
Surplus for the year	7,987,099	11,026,390
Depreciation of tangible fixed assets	7,522,603	7,248,125
Fair value gains on investment properties	(229,091)	-
Amortisation of Grants	(3,232,663)	(3,117,320)
Loss on disposal of tangible fixed assets	50,026	133,677
W/O Prior Year Adjustments	479,696	190,046
Gift Aid from Subsidiary	-	238,446
Operating cash flows before movements in working capital	12,783,852	15,719,364
(Increase)/Decrease in stock	(2,835,838)	(327,237)
Decrease/(Increase) in trade and other debtors	1,192,550	(281,710)
Decrease in trade and other creditors	(2,518,984)	(744,593)
Cash generated from operations	13,659,548	14,365,824

Cash and Cash Equivalents (Association)	2026 £	2025 £
Cash at Bank	4,469,031	1,990,323
	4,469,031	1,990,323

25. CAPITAL COMMITMENTS AND OTHER CONTRACTUAL OBLIGATIONS

	Group		Association	
	2026 £	2025 £	2026 £	2025 £
Capital expenditure contracted for but not provided in the financial statements	7,377,486	9,427,960	7,377,486	9,427,960

The above commitments will be funded through private finance facilities and grant which are currently in place.

26. RETIREMENT BENEFITS

From 1st April 2014 the Association has participated 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 benefits scheme in the UK.

The assets of the scheme are held separately from those of the Association in an independently administered fund.

No other post-retirement benefits are provided. The scheme is a fully funded scheme.

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

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5m. A recovery plan has been put in place to eliminate the deficit which runs to March 2030.

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

Under the defined benefit pension accounting approach, the SHAPS net deficit as at 1 April 2025 was £856,000 as at 31 March 2026 £766,000.

The Association has been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability. It is recognised that this could potentially impact the value of Scheme liabilities, but until the outcome of the ongoing Court process is known (which is currently expected to be late 2025), it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2025 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

The Board are aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained.

The Association has also been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability alongside the Court's judgement in respect of the Virgin Media case referred to above, following the hearing of the case in February 2025 (Verity Trustees vs. Wood)

26. RETIREMENT BENEFITS (continued)

The Pension Schemes Act 2026 was enacted into law on 29 April 2026 and provided that evidence can be provided of there being retrospective confirmation of historic amendments to scheme rules as being compliant with the statutory requirements, it is expected that these additional liabilities will not materialise. However; due to the ongoing considerations in respect of the Virgin Media case and the Verity Trustees Limited vs. Wood case, it is recognised that there could still potentially be an impact to the value of Scheme liabilities.

Until the outcome of the ongoing Court process is known (which is currently expected to be autumn 2026), it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2026 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

FAIR VALUE OF PLAN ASSETS, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION, AND DEFINED BENEFIT ASSET (LIABILITY)

	31 March 2026 (£000s)	31 March 2025 (£000s)
Fair value of plan assets	6,233	6,325
Present value of defined benefit obligation	6,999	7,181
Surplus (deficit) in plan	(766)	(856)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(766)	(856)

* to be completed by the employer if required

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

	Period from 31 March 2025 to 31 March 2026 (£000s)
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period from 31 March 2025 to 31 March 2026 (£000s)
Defined benefit obligation at start of period	7,181
Current service cost	-
Expenses	12
Interest expense	406
Member contributions	-
Actuarial losses (gains) due to scheme experience	(95)
Actuarial losses (gains) due to changes in demographic assumptions	72
Actuarial losses (gains) due to changes in financial assumptions	(78)
Benefits paid and expenses	(499)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	6,999

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

	Period from 31 March 2025 to 31 March 2026 (£000s)
Fair value of plan assets at start of period	6,325
Interest income	356
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	39
Employer contributions	12
Member contributions	-
Benefits paid and expenses	(499)

Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	6,233

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2025 to 31 March 2026 was £395,000.

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

	Period from 31 March 2025 to 31 March 2026 (£000s)
Current service cost	-
Expenses	12
Net interest expense	50
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	62

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)

	Period from 31 March 2025 to 31 March 2026 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	39
Experience gains and losses arising on the plan liabilities - gain (loss)	95
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(72)

Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	78
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	140
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in Other Comprehensive Income - gain (loss)	140

ASSETS

	31 March 2026 (£000s)	31 March 2025 (£000s)
Global Equity	823	733
Liquid Alternatives	1,192	1,165
Insurance-Linked Securities	12	24
Property	325	313
Infrastructure	-	1
Private Equity	14	5
Real Assets	618	755
Private Credit	804	789
Credit	284	269
Investment Grade Credit	262	289
Cash	2	34
Long Lease Property	-	2
Secure Income	84	146
Liability Driven Investment	1,720	1,781
Currency Hedging	-	11
Net Current Assets	93	8
Total assets	6,233	6,325

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

KEY ASSUMPTIONS

	31 March 2026	31 March 2025
	% per annum	% per annum
Discount Rate	6.08%	5.85%
Inflation (RPI)	3.31%	3.09%
Inflation (CPI)	3.03%	2.79%
Salary Growth	4.03%	3.79%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	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

27. RELATED PARTY TRANSACTIONS

Members of the Board are related parties of the Association as defined by FRS102. The related party relationships of the members of the Board are summarised as:

Those members that are tenants of the Association have tenancies that are on the Associations normal tenancy terms, and they cannot use their positions to their advantage.

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

Remuneration was paid to the chair, chair of Audit committee of CVHA and chair of CVPS during the year amounting to £14,000 (2025: £14,000). This is allocated under consultancy fees.

£13,414 was paid to a supplier with common control. The amount was fully paid during the year and there is no amount outstanding at the balance sheet date (2025: £nil).

Innov8 Housing Solutions is a 42% owned Associate of Clyde Valley Housing Association. During the year, CVHA sold goods and services, in the normal course of business activities, to Innov8 Housing Solutions Limited, amounting to £14,250 (2025: £31,384). During the year, this Associate ceased trading and there was a transfer of assets from Innov8 to Clyde Valley Housing Association amounting to £1,438,000 as detailed in Note 12 above along with a £2,000,000 grant release.

The Association has taken advantage of the FRS102 exemption from disclosure of transactions with its wholly owned subsidiary Clyde Valley Property Services Limited.