CLYDE VALLEY HOUSING ASSOCIATION LIMITED

GROUP REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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

Board, Executives and Advisers
For the year ended 31 March 2025

Members of Board

The Members of the Board of the Association during the year to 31 March 2025, and up to the date of signing of these financial statements were as follows:

1. Andrew McFarlane Chair
2. Campbell Boyd (resigned 16/09/24)
3. Eleanor Walker
4. Shannon Watson
5. Kenneth Gibb
6. Stuart Dodson
7. Alan Newlands
8. Neil McKay
9. William Quinn (resigned 08/07/2025)
10. Alison Glen (appointed 16/09/24)
11. Deborah Boyle (appointed 16/09/24)
12. Rory Hughes (appointed 16/09/24)
13. Ranald Brown (appointed 16/09/24)

Registered Office
50 Scott Street
Motherwell
ML1 1PN

Auditor
RSM UK Audit LLP
Chartered Accountants
Third Floor
Centenary House
69 Wellington Street
Glasgow
G2 6HG

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 2025, 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
Robert Pollock	Interim Director of Investment and Property Services (transferred role 01/09/24)
Sinclair Young	Director of Investment and Property Services (appointed 03/03/25)

Committee Membership 2025

Audit Committee

Eleanor Walker
Campbell Boyd
Shannon Watson (resigned 03/03/2025)
Ken Gibb
Alan Newlands
Ranald Brown

The Board presents their report and audited financial statements for the year ended 31 March 2025.

Chairman's Report

As we reflect over the final year of our current Corporate Strategy and look ahead to the launch of our new Corporate Strategy in April 2025, I am immensely proud of the progress the Group has made in improving service delivery for customers and how resilient we have come to change given the challenging operating environment the sector has experienced over the last five years. I would like to thank all teams across the business and Board colleagues for their contributions and support.

One of the things we have learnt over the course of our last Corporate Strategy is that we are dedicated to our origins and our social purpose. Clyde Valley Housing Association was founded in 1996 to help the most vulnerable people in society, and we have never lost sight of that mission. What began as a small number of properties across North and South Lanarkshire is now one of Scotland's leading housing associations, with over 5,000 homes across North Lanarkshire, South Lanarkshire and East Dunbartonshire. But while our scale and ambition has grown, our fundamental social purpose has remained constant.

We are a forward thinking, inclusive and value-based organisation with a long-term vision. Our social purpose drives us to deliver quality services to our customers. Not just homes, but thriving communities, accessible support services and choice in tenure.

With so much economic uncertainty still hanging over the housing sector, and indeed the UK, we must remain prudent, realistic about risks and honest about the challenges we face. But we must also maintain our ambition and innovation to serve our customers to the very best of our abilities, providing high quality and sustainable homes and strong communities that can thrive and provide a sense of belonging.

Our top priorities are to ensure the safety of our customers and colleagues, maintain and invest in our future and existing homes, and provide reliable customer service with a focus on providing customers with an effective resolution at the first point of contact. When making choices, these priorities will be at the forefront of our minds. We will also continue our focus on operational excellence and delivering a standard that we are proud of for our homes and communities. We are clear as a Board that these will continue to be the driving force for how Clyde Valley delivers products and services, along with our commitment to deliver a strong assurance and governance framework.

As we conclude the final year of our ambitious five-year Corporate Strategy, the Board and Executive Team have reviewed our progress together with the challenges and risks that currently face the Group and the wider housing sector in Scotland and across the UK. We continue to revisit our purpose, strategic direction and the values that drive us. We have continued to take time to understand and support our customers in managing the current cost of living crisis and we have targeted our resources to those who need it most.

Our open governance values have helped bring all issues quickly onto the table, and I am grateful to our Executive Team, our Audit Committee and Board for the quality, professionalism and diligent scrutiny at board. We are also increasingly engaged in collaboration initiatives across the social housing sector, which I believe will produce positive results in the future for all involved.

When reflecting on the year, it would be remiss of me not to mention our longest standing Board Member, Campbell Boyd, who stepped down in the year. We would like to extend our heartfelt gratitude to Campbell for his unwavering dedication and exceptional service to the Group. Over the years, Campbell has been a pillar of strength and a source of valuable input, guiding the organisation through numerous milestones and challenges. His commitment to our mission has left an indelible mark on the Group and the communities we serve. As Campbell steps down after a remarkable tenure, we celebrate his legacy and express our deepest appreciation for his outstanding contributions.

We were also met with great sorrow in recent months as we lost a cherished tenant Board member, William Quinn. Billy as he was known to us all, served with unwavering dedication and passion. As a tenant Board Member, Billy brought a unique and invaluable perspective to our Board. His firsthand experience and deep understanding of the needs and concerns of our customers was instrumental in shaping our policies and initiatives. We are profoundly grateful for the time we had with Billy.

As we conclude the final year of our Corporate Strategy and look ahead to the launch of our new Corporate Strategy, we have taken the opportunity to refresh our approach, consult our staff and customers, review our capital investment programme and refresh our financial plans, based on a strong and resilient platform that we have worked hard to achieve and which is evident within these financial results. Importantly, the Board remains committed and focused on delivering value for money and we couldn't be clearer on the future task that lies ahead – we need to listen to our customers, provide exceptional services in the areas that matter most to our customers, and make effective use of our resources and technology to continually improve and evolve.

To underpin this, it is vital that Clyde Valley delivers strong financial performance. By maintaining financial discipline, ensuring strong governance and diverse leadership we will protect our financial position and retain the confidence of our lenders and wider stakeholders. I am therefore pleased that these accounts demonstrate a robust performance and financial viability both now and for the long term for the Group.

Together we will make a difference as we look to be a force for good in these difficult times. I am prouder than ever to be part of a high-performing organisation which puts the people it works for at the heart of everything it does thanks to the compassion and commitment of its staff along with the dedication and diligence of Board and Executive Team members.

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 2025.

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 29-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 2025, CVHA owned or managed circa 4,900 affordable homes growing during the year following the completion of 59 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 provide high quality homes and services that make a difference to peoples' lives and to their 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.

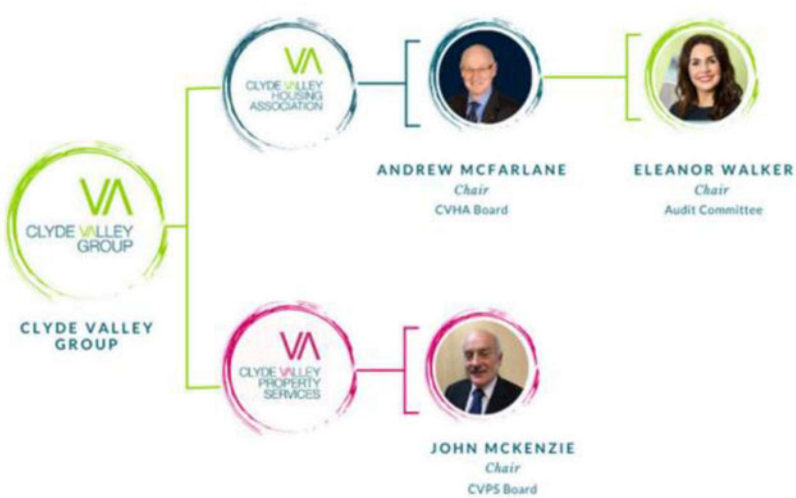
- **BE** inclusive **–** we create an environment where everyone feels comfortable and confident to be themselves, embracing differences and providing equitable opportunities for all.

- **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.

The Group is grateful for the unstinting efforts of our Board and Customer Panel. Every effort is made to encourage volunteering of tenants where possible, and the impact of the Customer Panel during the year has been valued by the Group overall.

Review of the year

This year, the final year of our ambitious 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 last five years of our 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.

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. The national housing emergency declared by the Scottish Government has made the need for a joint approach between Holyrood, local authorities and Registered Social Landlords even more important. With a partnership approach needed to combat issues including a shortage of social housing, rising private rents and pressure on homelessness services.

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.

The difficult economic climate and the cost-of-living crisis had an ongoing impact on our customers' lives. Our core frontline services and wraparound services were a lifeline, and supporting our customers including their mental health, financial sustainability, confidence and resilience remained one of our top priorities. As always, our strong focus on customers and the close relationships we have developed helped us respond to their needs.

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

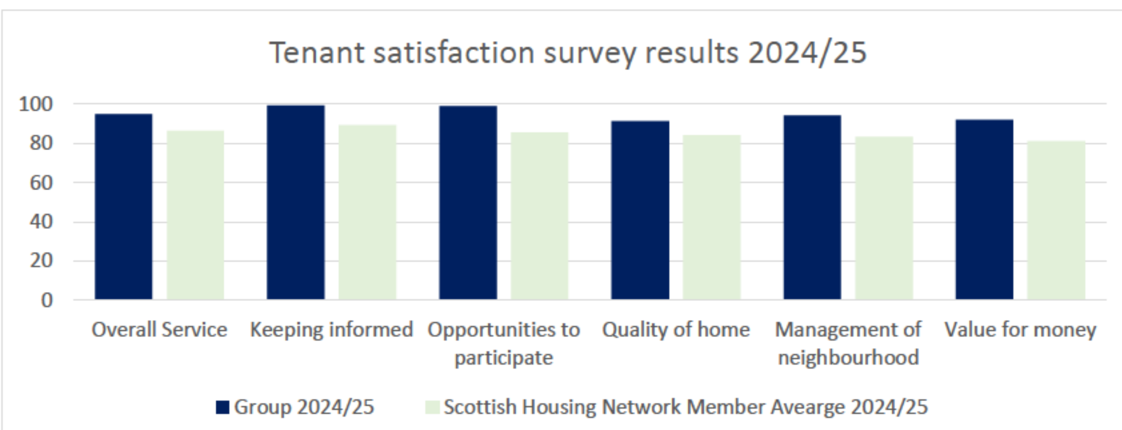
1.	**Providing a brilliant customer experience, delivering service excellence**
2.	**Addressing housing need and offering services across all tenures**
3.	**The leading RSL partner to create sustainable homes and communities**.
4.	**Focused on value for money and excellent governance as a growing and sustainable business**.
5.	**Aim to be the best housing association employer, committed to developing employees to realise their potential**

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

Providing a brilliant customer experience, delivering service excellence

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 94.82% (2023/24: 85.38%) above the Scottish average of 86% and placing us well as we head into our new Corporate Strategy. Our performance in our key indicators was close to or above 90% and above the Scottish average when compared against figures from Scotland's Housing Network members as shown in the table below:



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 2024/25 stood at 3.23%, well within our target and a further improvement on our 4.34% reported in 2023/24 and better than the 2023/24 Scottish average of 6.73%. The average days to re-let our homes was 31.45 days, an improvement from 44.14 days last year.

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. In the year we carried out over 13,300 repairs with our Repairs Team, alongside our multi-trade contractors, coordinating more complex repair work to deliver a high level of service for customers and help free up our Customer Success team to spend more time with customers and in communities.

We completed 89% 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 2.2 hours (in line with prior year) and non-emergency repairs was 5.82 days, down from 6.73 days last year.

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 used 2024/25 as an opportunity to review our Customer Promises and Commitments and will use this as a solid foundation as we move into our new Corporate Strategy.

Addressing housing need and offering services across all tenures

We built 59 new homes over the year for social rent and have plans to complete a further 119 in the next 12-18 months.

We also continued to provide support to homeless people in 2024/25, allocating approximately 110 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 94.57% over the year, up from 93.92% last year and above the 2023/24 Scottish Average of 90.31%.

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.

Our Customer Success team continue to support our customers through some challenging times over the last year. This has also been supported by our very successful Wellbeing Hub which has aimed to bring together all our support services into one easy to access service within the Group.

The leading RSL partner to create sustainable homes and communities

Developing new homes and investing in our current stock continues to be a focus for the Group. We see our assets as far more than 'bricks and mortar'. Our housing stock plays a key role in shaping the social, economic and environmental wellbeing of our local communities, influencing the quality of life of our customers.

We recognise that our housing stock represents our most valuable asset and our largest liability in investment terms. Effectively our stock provides the lifeblood of the organisation as it generates our day-to-day revenues which in turn underpin our ability to meet our ongoing running costs, provide for our necessary maintenance requirements and ultimately enable investment in new developments.

As one of Scotland's largest housing associations, we recognise that we have a responsibility to embed sustainability across every aspect of our business. We also see our commitment to sustainability as fundamental to our continued success and development. While we have a contribution to make in achieving a broad range of sustainability objectives, we recognise that we need to focus our efforts, priorities and investment in areas where we can, and must, have greatest impact.

Considering the above, our focus needs to be in:

- Reducing emissions from our existing homes.
- Building new homes that are energy efficient.
- Ensuring we minimise the impact of our business operations on the environment.
- Working with sustainable contractors that share our values.
- Reducing fuel poverty for our customers and delivering positive social impact.
- Supporting our customers, communities and staff to adapt to the impact of climate change.

As we move forward into our new Strategy for 2025-30, we will set out a clear roadmap for Clyde Valley's sustainability journey and continue to embed a culture of sustainability across the organisation.

We have invested significantly in improving our stock, including its energy efficiency. We continued to strengthen our property data across 2024/25 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 expectations of our customers. This data will also ensure that we invest in 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.

Sustainability has always been at the heart of our current strategy. At CVG we want to play our part in helping to address the climate crisis, both at a national level and, as importantly, within our homes and local communities. We have invested significantly in improving our stock, including its energy efficiency. However, we need to go further and set an aspiration to have net-zero direct emissions from heating our homes by 2045. Our initial target, which will be refined once the Scottish Housing Net Zero Standard is released, will be to improve the energy performance ratings of our homes to EPC B, where its technically and economically possible.

For us, sustainability is not only about meeting targets and reducing emissions but about changing lives and communities for the better. Our investment should make warmth more affordable and help reduce fuel poverty whilst retaining services and investment in other areas.

Being one of the top 5 developing RSLs over the past few years, we have delivered homes fit for the future which are progressive in terms of energy and carbon reduction targets, as well as exceeding sustainability and environmental targets. We ensure our homes have at least an EPC B and have embraced modern methods of construction. We are delighted that at the end of 2024/25 92.7% of our properties are at EPC rating C or better. It is also noteworthy that our 59 new build homes which came off site this year have an average SAP rating of 88.

Focussed on value for money and excellent governance as a growing and sustainable business

At CVG we recognise the need to focus on delivering value for money for our customers and it has been a key objective over the period of our current Strategy.

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 2024/25, whilst protecting the services that are so important to our customers.

The cost-of-living crisis not only impacts the Group in terms of cost of delivery of services to our customers but also directly on customers, squeezing household budgets. 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 2024-25 survey shows that 92% of our customers felt that their rent represented value for money. This is an increase from our previous 2023-24 survey (78%) and significantly above the Scottish average reported in 2023/24 (82%).

We recognise that tenant communication and engagement is at the heart of value for money. As we embark on our new Strategy 2025-2030, we will reflect on how we capture value for money and how we ensure our focus remains on those services most important to our customers.

Aligned to our value for money approach, our ambition is to evolve towards a digital, self-service approach to accessing our services. We recognise the need to offer our customers a service that is simple and modern, but which is also flexible, by empowering people to self-serve at a time and location that suits them. We also recognise the potential to provide significant value for money to the business with this approach.

It should be noted that although we will be investing in and promoting digital self-service to all customers, we will always adopt a 'digital by choice' approach to ensure that we don't leave any customer behind. This is supported by our substantial investment in our Contact Centre model which will continue to provide high-quality voice and digital services to our customers at the first point of contact.

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 2024/25, our Board assessed compliance with all Regulatory requirements in preparation for our annual Assurance Statement that was submitted to the SHR in October 2024. 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 2024/25, 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.

Aim to be the best housing association employer, committed to developing employees to realise their potential

During 2024/25 we have worked hard to build on our capacity and capability, embed our culture, modernise our people processes and really define our approach to equality, diversity and inclusion.

Our watchwords over the last few years have been excellence, ambition, caring, dedicated and together. 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.

As we look ahead, we will:

- Continue to create an inclusive and diverse culture that supports our employee's wellbeing.
- Further embed our values through our People Charter.
- Revise our succession plans that build on our learning and development investment whilst improving our retention and growing our talent.
- Develop a clear set of leadership values that reflect what it means to be a leader in CVG and help improve employee engagement.
- Develop a reward and recognition plan that helps make our employees feel further valued and appreciated.

Financial Review

This year, the final year of our current Corporate Strategy, saw us navigate a 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 2024/25 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 decreased to £30.8m, down from £32.4m in 2023/24. The decrease of £1.6m is driven by no income generated from the sale of housing within our CVPS subsidiary in the year which has seen our income from other activities reduce by £3.2m in the year (2024/25: £2.3m – 2023/24: £5.5m). This is non-recurring income off-set 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 £25.6m up from £24m in the prior year, an increase of £1.6m 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 the Group has worked hard to strengthen our financial position on EBITDA and in the year, we have seen operating expenditure reduce from £22.86m to £19.71m, a reduction of £3.15m in the year. It is important to note, similar to our turnover, this reduction is largely driven by the costs incurred from housing sales in the prior year, which did not recur in the current reporting period. These accounted for £3.65m of the reduction offset by a small increase in our costs attributed to affordable letting (2024/25: £17.98m – 2023/24: £17.43mm).

Despite the inflationary economic conditions experienced from 2023/24 and the impact this has had on our cost base, the focus on cost efficiencies, without detriment to service provision, has helped to grow earnings to a level that supports the servicing of borrowings, allowing the Group to maintain a high degree of financial flexibility, and be responsive and agile to changes in our plans. Generating sufficient earnings to invest in and maintain existing homes and service debt also enables us to continue with our new build programme to increase the provision of new homes in our communities, ensuring we provide our existing customers with value for money services and keep rents affordable. We have also taken time during 2024/25, in line with our work on our stock condition survey, to ensure that investment was focussed in the right areas both now and in the future. This has resulted in some asset management spend being delayed during 2024/25 but this will be carried forward into the Business Plan in future years.

Over the year, the Association spent £4.4m maintaining and improving housing stock. Of the £4.4m, £3m (2023/24: £3.9m) was spent on reactive and planned maintenance activities with £0.8m 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 £6.2m, compared to £6.3m in the previous year. This consistency is indicative of our prudent treasury management and balanced debt portfolio. Despite the challenging economic environment, including fluctuations in the Bank of England base rates, our strategic approach has effectively mitigated potential financial impacts. The movement on the fair value of financial instruments has resulted in these decreasing at the year-end by £324,924 compared to a decrease in the previous year of £422,857.

The overall outturn for the year has resulted in the Group making a surplus of £6.4m (2024: £4m) after providing for Corporation Tax relief of £nil (2024: £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 £49.7m from £43.3m. 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 59 new homes completed in the year.

Debt and gearing levels remain sustainable with long term loans of £129.7m (2023/24: £129.9m). The Association has cash balances of £2m at the year end with access to considerable undrawn borrowing facilities 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 £14.3m (2023/24: £17.6m). In the year we drew £3 million (2023/24: £nil) 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 and new build programme for the coming year.

Rental cashflows remained strong and dependable with arrears levels being closely monitored and more tenants moved over to claim Universal Credit.

After taking account of investing and financing activities, cash and cash equivalents were £2.0m; an increase of £0.1m in the year.

We remain in a period of uncertainty and coupled with the adverse impact of the ongoing cost of living crisis and risks associated with the current economic climate, we have considered what measures can be put in place to help mitigate these risks in future financial planning. The Group continues with its new build programme but can reduce the scale of this should the economic situation deteriorate. Similarly, we maintain a high level of investment in our financial planning, and this can be reprofiled should there be a requirement to reduce costs due to unforeseen pressures from external factors. As part of our Going Concern review, we have considered the impact of all these challenges and our ability to deliver services to our communities.

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 with lenders Bank of Scotland (part of Lloyds Banking Group) and Barclays Bank. A £70m private placement with Canada Life has been in place since 2018 with £35m drawn in 2018 and the other £35m drawn in 2020. 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.

In June 2023 a £20m revolving credit facility was signed with Bank of Scotland and it is only during 2024/25 that CVHA drew down on this. £3m was drawn from this with a further drawdown of £4.5m anticipated during the 2025/26 financial year.

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 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 2025, 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 2025 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 2025/26 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 follow 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.

Risk Management is the responsibility of everyone in the organisation, whether or not they have a formally defined role in the process. To ensure the successful implementation of the Risk Management Policy, clear roles and responsibilities for the Risk Management process have been established. 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.

The Group also continues to review new and emerging risks as part of its horizon scanning.

Future Prospects

2025/26 will see the launch of our new Corporate Strategy which aims to deliver towards our vision of "*A Positive Influence for Change".* Our vision is to shape a brighter future by building vibrant, inclusive communities.

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 new strategic vision and commitment is the result of a rigorous and collaborative process which Group Board, Executive Team, colleagues from across the business, and most importantly, our customers.

The result is an approach that will put customers at the heart of Clyde Valley, consolidate our financial strength, and lay the foundations for us to tackle some of the biggest challenges our sector has faced.

While the challenges differ, we continue to put people at the heart of our strategy by empowering our teams to do the right thing, at the first point of contact. Moving forward in our new strategy we will ensure our people have the right skills, experience and values with an emphasis on listening to our customers and putting them first.

Our new strategy signifies the start of a new journey. As we start this new journey in our history, we are clear that our customers we provide homes for must be our priority, as we care about customers' homes as much as they do. We want to distinguish ourselves as an ethical organisation that genuinely works with customers and has a reputation for high quality sustainable homes, thriving communities and empathetic, responsive and consistent customer service.

To those who know Clyde Valley as one of the more active social housing developers in Scotland, the coming years may feel like we are looking inward, however our ambition to help tackle the housing crisis is undiminished. We have no intention of stopping building homes – they are core to our social mission – but the pace of delivery will ease in the short term. In the meantime, we want to focus on building high quality, beautiful places and safe homes across our committed development pipeline as well as investing significantly in our new homes with a newly defined Clyde Valley standard.

Underpinning the strategy is a solid foundation of financial strength, which enables us to invest in our properties, improve our services, and provides us with the ability to overcome challenges that come our way. Our financial stability ensures that we can deliver on our promises, maintain a high standard of housing, and respond to the changing needs of our customers.

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.

The strategy sets a clear direction for the Group over the period 2025-230, 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.

It is underpinned by our three key strategic goals:

- **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:

Our delivery plan for the forthcoming financial year (2025/26) is noted below. It outlines the practical steps required to translate strategic objectives into measurable outcomes. It includes clearly defined projects and programmes of work, timelines, and governance structures to ensure coordinated execution across the Group. The delivery plan was developed by our Board and Leadership Team after consultation with staff and customers to ensure all our stakeholders understood what our priorities are for the year ahead, notably:

People

- Define what we mean by first contact resolution and establishing clear criteria for when a customer interaction is considered resolved on the first interaction.
- Develop a Wellbeing Action Plan which is created collaboratively with colleagues from across the business and aligned to the Investors in People Platinum Accreditation.
- Development of our Equality, Diversity and Inclusion Roadmap which will clearly outline the Groups commitment to EDI and the ability to develop a robust EDI plan for the next 5 years.

Place

- Develop a comprehensive and robust Asset Management Strategy.
- Define, scope and agree our regeneration programme for Douglas.
- Define and embed our Clyde Valley place and property standards.
- Appraise future new build opportunities and the cost of financing these, including the defining of new build standards and assurance mechanisms covering design, construction quality, sustainability and compliance with relevant regulations.

Progress

- Carry out a review of the Group's current operating model and define a future stage Target Operating Model that optimises structure, processes, technology, and governance.
- Options appraisal to evaluate the future design of our estate management service within our communities.
- Options appraisal to explore the development of a charitable foundation that aligns with the Group strategic aims and objectives.
- Development of a sustainability roadmap.
- Development and implementation of an assurance framework that ensures high levels of confidence in compliance across all areas of the Group.
- Develop and launch a Customer Engagement Framework.
- Define our approach to digital channel shift.
- Conduct a comprehensive review of the current IT infrastructure to asset its capability, security, scalability, and alignment with business needs. Develop a future focussed IT roadmap that supports the Group's 2025030 strategic ambitions.

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

[redacted]

Andrew McFarlane
Chairperson

27/08/25

Clyde Valley Housing Association Limited

Statement of Board's Responsibilities under the Co-operative and Community Benefit Societies Act 2014 for a registered provider of social housing/registered social landlord.
For the year ended 31 March 2025

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

[redacted]

Position: Chairperson

Date: 27/08/25

Clyde Valley Housing Association Limited

Board's Statement of Internal Financial Control
For the year ended 31 March 2025

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;
- monthly/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 the Association has satisfactory procedures for managing its finances.

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 2025. 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

[redacted]

Position: Chairperson

Date: 27/08/25

Report by the Auditors to the members of Clyde Valley Housing Association Limited on Corporate Governance Matters
For the year ended 31 March 2025

In addition to our audit of the Financial Statements, we have reviewed your statement on 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.

[redacted]

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Third Floor
Centenary House
69 Wellington Street
Glasgow
G2 6HG

Date 15/09/25

Independent Auditor's report to the Members of Clyde Valley Housing Association Limited
For the year ended 31 March 2025

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 2025 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 2025 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,the Cooperative and Community Benefits Societies (Group accounts) Regulations 1969, 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 22, 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 framework that the group and the Association operates in and how the group and the Association is complying with the legal and regulatory framework;
- 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 Scottish Housing Acts, 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, 2010 and 2014, 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. 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.

[redacted]

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Third Floor
Centenary House
69 Wellington Street
Glasgow, G2 6HG

Date: 15/09/25

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 2025

	Notes	2025 £	2024 £
TURNOVER	2	30,840,312	32,396,944
Operating expenditure	2	(19,709,934)	(22,860,270)
OPERATING SURPLUS		11,130,378	9,536,674
Gain/(Loss) on disposal of property, plant and equipment		133,677	(112,627)
Gain on Revaluation of Housing Investment Properties		100,000	33,298
Interest receivable	6	194,067	282,519
Interest and financing costs	7	(5,698,631)	(5,632,646)
Movement in fair value of financial instruments		324,954	422,857
Profits from Associate	12	164,234	67,770
SURPLUS BEFORE TAX		6,348,679	4,597,845
Taxation		36,061	(59,612)
SURPLUS FOR THE YEAR		6,384,740	4,538,233
Other comprehensive Income			
Actuarial Gain/(Loss) in respect of defined benefit pension scheme	26	68,000	(562,000)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		6,452,740	3,976,233

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income - Association
For the year ended 31 March 2025

	Notes	2025 £	2024 £
TURNOVER	2	29,940,679	27,976,692
Operating expenditure	2	(18,910,290)	(18,786,274)
OPERATING SURPLUS		11,030,389	9,190,418
Gain/(Loss) on disposal of property, plant and equipment		133,677	(112,627)
Interest receivable	6	214,109	311,392
Interest and financing costs	7	(5,698,631)	(5,632,646)
Movement in fair value of financial instruments		324,954	422,857
Profits from Associate	12	164,234	67,770
SURPLUS BEFORE TAX		6,168,732	4,247,164
Taxation		-	-
SURPLUS FOR THE YEAR		6,168,732	4,247,164
Other Comprehensive Income		234,448	
Actuarial Gain/(Loss) in respect of defined benefit pension scheme	26	68,000	(562,000)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		6,471,180	3,685,164

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 2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Housing properties	10.A	386,486,929	382,261,883
Other fixed assets	10.B	3,634,922	3,606,684
Investment properties	11	2,338,000	2,238,000
Fixed asset investments	12	3,430,128	3,265,894
Intangible assets	14	24,000	36,001
		395,913,979	391,408,462
CURRENT ASSETS			
Work in progress and Properties held for sale	15	836,585	508,927
Trade and other debtors	16	2,624,938	2,459,800
Cash and cash equivalents		2,014,314	1,896,651
		5,475,837	4,865,378
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	17	(11,506,004)	(12,533,882)
NET CURRENT ASSETS		(6,030,167)	(7,668,504)
TOTAL ASSETS LESS CURRENT LIABILITIES		389,883,812	383,739,958
Creditors: amounts falling due after more than one year	18	(339,367,427)	(339,608,315)
Defined benefit pension liability	26	(856,000)	(924,000)
		(340,223,427)	(340,532,315)
TOTAL NET ASSETS		49,660,385	43,207,643
RESERVES			
Share Capital	22	64	62
Income and Expenditure Reserve		49,660,321	43,207,581
TOTAL RESERVES		49,660,385	43,207,643

The financial statements on pages 29 to 70 were approved by the Board and authorised for issue on 27/08/25…………. and are signed on its behalf by:

Chairperson [redacted]

Secretary

Board Member

Clyde Valley Housing Association Limited

Statement of Financial Position - Association
For the year ended 31 March 2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Housing properties	10.A	386,703,235	382,478,683
Other fixed assets	10.B	3,634,922	3,606,684
Fixed asset investments	12	3,430,128	3,265,894
Investment in subsidiaries	13	1	1
		393,768,286	389,351,262
CURRENT ASSETS			
Work in progress and Properties held for sale	15	423,339	96,101
Trade and other debtors	16	2,757,967	2,407,367
Cash and cash equivalents		1,990,323	1,688,385
		5,171,629	4,191,853
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	17	(11,192,889)	(11,958,384)
NET CURRENT ASSETS		(6,021,260)	(7,766,531)
TOTAL ASSETS LESS CURRENT LIABILITIES		387,747,026	381,584,731
Creditors: Amounts falling due after more than one year	18	(339,367,431)	(339,608,318)
Defined benefit pension liability	26	(856,000)	(924,000)
		(340,223,431)	(340,532,318)
TOTAL NET ASSETS		47,523,595	41,052,413
RESERVES			
Share Capital	22	64	62
Income and Expenditure Reserve		47,523,531	41,052,351
TOTAL RESERVES		47,523,595	41,052,413

The financial statements on pages 29 to 70 were approved by the Board and authorised for issue on 27/08/25........ and are signed on its behalf by:

Chairperson [redacted]

Secretary

Board Member

Clyde Valley Housing Association Limited

Group Statement of Changes in Reserves
For the year ended 31 March 2025

	Income and expenditure reserve £
Balance at 1 April 2023	39,231,347
Surplus for the year	3,976,234
Balance as at 1 April 2024	43,207,581
Surplus for the year	6,452,740
Balance as at 31 March 2025	49,660,321

Association Statement of Changes in Reserves
For the year ended 31 March 2025

	Income and expenditure reserve £
Balance at 1 April 2023	37,367,187
Surplus for the year	3,685,164
Balance as at 1 April 2024	41,052,351
Surplus for the year	6,471,180
Balance as at 31 March 2025	47,523,531

Clyde Valley Housing Association Limited

Group Statement of Cashflows
For the year ended 31 March 2025

	Notes	2025 £	2024 £
Net cash generated from operating activities	23	14,301,591	17,553,300
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(10,761,162)	(13,222,988)
Capitalised component replacements		(1,177,499)	(1,674,315)
Purchase of other fixed assets		(149,036)	(26,765)
Proceeds on disposal of housing properties		244,951	91,759
Grants received		3,038,426	1,821,738
Interest received		194,067	282,293
NET CASH USED IN INVESTING ACTIVITIES		(8,610,253)	(12,728,278)
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid		(5,373,677)	(6,376,095)
Repayments of borrowings		(3,200,000)	(3,200,000)
Proceeds from bank loans		3,000,000	-
Net issue of ordinary shares		2	-
NET CASH FROM FINANCING ACTIVITIES		(5,573,675)	(9,576,095)
		(14,183,928)	(22,304,373)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		117,663	(4,751,073)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,896,651	6,647,498
CASH AND CASH EQUIVALENTS AT END OF YEAR	23	2,014,314	1,896,425

Clyde Valley Housing Association Limited

Statement of Cashflows - Association
For the year ended 31 March 2025

	Notes	2025 £	2024 £
Net cash generated from operating activities	24	14,365,824	17,342,821
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(10,761,162)	(13,222,988)
Capitalised component replacements		(1,077,499)	(1,671,559)
Purchase of other fixed assets		(149,036)	(26,765)
Proceeds on disposal of housing properties		244,951	91,759
Grants received		3,038,426	1,821,738
Interest received		214,109	311,165
NET CASH USED IN INVESTING ACTIVITIES		(8,490,211)	(12,696,650)
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid		(5,373,677)	(6,376,095)
Repayments of borrowings		(3,200,000)	(3,200,000)
New secured loans		3,000,000	-
Net issue of ordinary share capital		2	-
NET CASH FROM FINANCING ACTIVITIES		(5,573,675)	(9,576,095)
		(14,063,886)	(22,272,745)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		301,938	(4,929,924)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,688,385	6,618,083
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	1,990,323	1,688,159

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 2025 was £856,000.

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 30-year Business plan for 2025, which was approved by the Board in March 2025. 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. 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. Specific consideration of rent arrears as a key uncertainty has been considered in detail through sensitivity testing and monitored closely.

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 and, where applicable, the individual components of the structure (excluding land) under the accruals model.

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

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 as described.

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 without undue cost or effort. 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 will be 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 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 2025, the net defined benefit pension deficit liability was £856,000 (2024: £924,000), which has been included within the provisions for pensions liability in the financial statements. In the year ended 31 March 2025, 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 £	2025 Operating Surplus £	2024 Operating Surplus/(Deficit) £
Affordable letting activities	3	28,531,798	(17,987,839)	10,543,959	9,391,449
Other activities	4	2,308,514	(1,722,095)	586,419	145,225
Total		**30,840,312**	**(19,709,934)**	**11,130,378**	**9,536,674**
Total for previous reporting period		**32,396,944**	**(22,860,270)**	**9,536,674**	

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

	Notes	Turnover £	Operating Costs £	2025 Operating Surplus / (Deficit) £	2024 Operating Surplus / (Deficit) £
Affordable letting activities	3	28,531,798	(17,983,840)	10,547,958	9,391,449
Other activities	4	1,408,881	(926,450)	482,431	(201,031)
Total		**29,940,679**	**(18,910,290)**	**11,030,389**	**9,190,418**
Total for previous reporting period		**27,976,692**	**(18,786,274)**	**9,190,418**	

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 2025 £	Total 2024 £
Rent receivable net of service charges	25,403,258	-	2,407	25,405,665	23,828,821
Service charges	154,183	-	-	154,183	143,195
Gross income from rents and service charges	25,557,441	-	2,407	25,559,848	23,972,016
Less voids	(145,370)	-	-	(145,370)	(123,705)
Net income from rents and service charges	25,412,071	-	2,407	25,414,478	23,848,311
Grants released from deferred income	3,116,824	-	496	3,117,320	3,034,777
Revenue grants from Scottish Ministers	-	-	-	-	-
Other revenue grants	-	-	-	-	-
Total turnover from affordable letting activities	28,528,895	-	2,903	28,531,798	26,883,088
Management and maintenance administration costs	6,878,197	-	-	6,878,197	6,523,916
Service costs	174,487	-	-	174,487	160,753
Planned and cyclical maintenance including major repairs cost	763,092	-	-	763,092	895,870
Reactive maintenance costs	3,003,591	-	-	3,003,591	3,031,714
Bad debts - rents and service charges	37,146	-	-	37,146	70,532
Depreciation of affordable let properties	7,126,422	-	905	7,127,327	6,808,853
Impairment of affordable let properties	-	-	-	-	-
Operating Costs for affordable letting activities	17,982,935	-	905	17,983,840	17,491,639
Operating surplus or deficit for affordable letting activities	10,545,960	-	1,998	10,547,958	9,391,449
Operating surplus or deficit for affordable letting activities for previous reporting period	9,389,536	-	1913	9,391,449	

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 2025 £	Total 2024 £
Rent receivable net of service charges	25,403,258	-	2,407	25,405,665	23,828,821
Service charges	154,183	-	-	154,183	143,195
Gross income from rents and service charges	25,557,441	-	2,407	25,559,848	23,972,016
Less voids	(145,370)	-	-	(145,370)	(123,705)
Net income from rents and service charges	25,412,071	-	2,407	25,414,478	23,848,311
Grants released from deferred income	3,116,824	-	496	3,117,320	3,034,776
Revenue grants from Scottish Ministers	-	-	-	-	-
Other revenue grants	-	-	-	-	-
Total turnover from affordable letting activities	28,528,895	-	2,903	28,531,798	26,883,088
Management and maintenance administration costs	6,882,196	-	-	6,882,196	6,523,916
Service costs	174,487	-	-	174,487	160,753
Planned and cyclical maintenance including major repairs costs	763,092	-	-	763,092	895,870
Reactive maintenance costs	3,003,591	-	-	3,003,591	3,031,714
Bad debts - rents and service charges	37,146	-	-	37,146	70,532
Depreciation of affordable let properties	7,126,422	-	905	7,127,327	6,808,854
Impairment of affordable let properties	-	-	-	-	-
Operating Costs for affordable letting activities	17,986,934	-	905	17,987,839	17,491,639
Operating surplus or deficit for affordable letting activities	10,541,961	-	1,998	10,543,959	9,391,449
Operating surplus or deficit for affordable letting activities for previous reporting period	9,389,536	-	1,913	9,391,449	

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	-	-	-	-	-	-	-	-	-
Care and repair	-	-	-	-	-	-	-	-	-
Investment property activities	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	478,505	478,505	16,726	173,182	288,597	285,617
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Contracted out activities undertaken for registered social landlords	-	-	-	-	-	-	-	-	-
Contracted out services undertaken for other organisations	-	-	-	-	-	-	-	-	-
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Developments and improvements for sale to other organisations	-	-	-	29,250	29,250	-	6,583	22,667	260,233
Other activities	-	15,439	-	1,785,320	1,800,759	-	1,525,604	275,155	(400,625)
Total from other activities	-	15,439	-	2,293,075	2,308,514	16,726	1,705,369	586,419	145,225
Total from other activities for the previous reporting period	-	-	-	5,513,856	5,513,856	16,726	5,351,905	145,225	

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	-	-	-	-	-	-	-	-	-
Care and repair	-	-	-	-	-	-	-	-	-
Investment property activities	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	-	-	-	-	-	-
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Contracted out activities undertaken for registered social landlords	-	-	-	-	-	-	-	-	-
Contracted out services undertaken for other organisations	-	-	-	-	-	-	-	-	-
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Developments and improvements for sale to other organisations	-	-	-	-	-	-	-	-	-
Other activities	-	15,439	-	1,393,442	1,408,881	-	926,450	482,431	(201,031)
Total from other activities	-	15,439	-	1,393,442	1,408,881	-	926,450	482,431	(201,031)
Total from other activities for the previous reporting period	-	-	-	1,093,604	1,093,604	-	1,294,635	(201,031)	

5. ACCOMMODATION IN MANAGEMENT

	Group Units Under Management		Association Units Under Management	
	2025	**2024**	**2025**	**2024**
General needs housing	4909	4,853	4892	4,836
Shared ownership	1	1	1	1
Total units in management	**4910**	**4,854**	**4893**	**4,837**

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	Group		Association	
	2025	**2024**	**2025**	**2024**
	£	**£**	**£**	**£**
Interest on bank deposits	194,067	282,519	194,067	282,519
Group loan interest	-	-	20,042	28,873
	194,067	282,519	214,109	311,392

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Group		Association	
	2025	**2024**	**2025**	**2024**
	£	**£**	**£**	**£**
Interest arising on:				
Bank loans and overdrafts	6,238,575	6,293,044	6,238,575	6,293,044
Amortisation of issue costs of bank loan	58,970	35,089	58,970	35,089
	6,297,545	6,328,133	6,297,545	6,328,133
Less: Interest capitalised on housing properties under construction	(598,914)	(695,487)	(598,914)	(695,487)
	5,698,631	5,632,646	5,698,631	5,632,646

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	
	2025	2024	2025	2024
	£	£	£	£
Operating surplus is stated after charging/(crediting):				
Depreciation of housing properties	7,127,327	7,009,011	7,127,327	7,009,015
Depreciation of other tangible fixed assets (note 10.B) - Owned	120,798	143,400	120,798	143,400

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

	Group		Association	
	2025	2024	2025	2024
	£	£	£	£
Audit services – statutory audit	33,056	30,550	26,244	24,500
Other services:				
Taxation compliance services	4,275	7,575	2,385	5,175
Consultancy	8,500	-	8,500	-

9. EMPLOYEES

	Group		Association	
	2025	2024	2025	2024
	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	93	90	93	90

	2025	2024	2025	2024
	£	£	£	£
Staff costs for the above persons:				
Wages and salaries	3,979,304	3,744,757	3,979,304	3,744,757
Social security costs	423,992	396,441	423,992	396,441
Defined contribution pension cost	366,301	341,548	366,301	341,548
	4,769,597	4,482,746	4,769,597	4,482,746

9. EMPLOYEES (continued)

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

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	
	2025	2024	2025	2024
	No.	No.	No.	No.
£60,000 - £70,000	3	3	3	3
£70,001 - £80,000	1	2	1	2
£80,001 - £90,000	-	-	-	-
£90,001 - £100,000	2	1	2	1
£100,001 – £110,000	-	-	-	-
£110,001 - £120,000	-	1	-	1
£120,001 - £130,000	-	-	-	-
£130,001 - £140,000	1	-	1	-

	Group		Association	
	2025	2024	2025	2024
	£	£	£	£
Aggregate emoluments for all key management personnel (excluding pension contributions)	665,930	547,465	665,930	547,465
The emoluments of the highest paid member of key management personnel (excluding pension contributions)	133,407	115,740	133,407	115,740
Aggregate pension contributions in relation to the above key management personnel	62,685	49,392	62,685	49,392

Remuneration was paid to the chair, chair of Audit committee of CVHA and chair of CVPS during the year amounting to £14,000 (2024 £14,000). This is allocated under adminstration 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 2024	415,805,461	31,986,600	195,606	447,987,667
Additions	-	10,761,162	-	10,761,162
Works to existing properties	750,260	-	-	750,260
Schemes completed	10,581,952	(10,581,952)	-	-
Disposals	(385,690)	-	-	(385,690)
31 March 2025	426,751,983	32,165,810	195,606	459,113,399
Depreciation and impairment				
1 April 2024	65,673,415	-	51,873	65,725,288
Depreciation charged in year	7,126,422	-	905	7,127,327
Released on disposal	(226,145)	-	-	(226,145)
31 March 2025	72,573,692	-	52,778	72,626,470
Net book value				
31 March 2025	354,178,291	32,165,810	142,828	386,486,929
31 March 2024	350,132,046	31,986,600	143,237	382,261,883

EXPENDITURE ON WORKS TO EXISTING PROPERTIES

	2025 £	2024 £
Replacement component spend capitalised	750,261	5,446,088
Amounts charged to income and expenditure	637,983	768,413
Total major repairs spend	1,388,244	6,214,501

FINANCE COSTS

	2025 £	2024 £
Aggregate amount of finance costs included in the cost of housing properties	4,085,452	3,486,538

The cost of land included above was £53,845,885 (2024: £53,172,698)

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 2024	416,021,881	31,986,985	195,605	448,204,471
Additions	-	10,761,162	-	10,761,162
Works to existing properties	750,263	-	-	750,263
Schemes completed	10,581,952	(10,581,952)	-	-
Disposals	(385,690)	-	-	(385,690)
31 March 2025	426,968,406	32,166,195	195,605	459,330,206
Depreciation and impairment				
1 April 2024	65,673,418	-	52,370	65,725,788
Depreciation charged in year	7,126,422	-	905	7,127,327
Released on disposal	(226,144)	-	-	(226,144)
31 March 2025	72,573,696	-	53,275	72,626,971
Net book value				
31 March 2025	354,394,710	32,166,195	142,330	386,703,235
31 March 2024	350,348,463	31,986,985	143,235	382,478,683

EXPENDITURE ON WORKS TO EXISTING PROPERTIES

	2025 £	2024 £
Replacement component spend capitalised	750,261	5,446,088
Amounts charged to income and expenditure	637,983	768,413
Total major repairs spend	1,388,244	6,214,501

FINANCE COSTS

	2025 £	2024 £
Aggregate amount of finance costs included in the cost of housing properties	4,085,452	3,486,538

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 £53,845,885 (2024: £53,172,698).

10.B TANGIBLE FIXED ASSETS – OTHER – GROUP

Cost	Land and Buildings	Office Equipment	Plant and Other Equipment	Computer Equipment	Total
1 April 2024	4,599,168	253,910	16,202	1,010,137	5,879,417
Additions	-	25,833	-	123,193	149,026
Disposals	-	-	-	-	-
31 March 2025	4,599,168	279,743	16,202	1,133,330	6,028,443
1 April 2024	1,065,652	251,646	15,080	940,354	2,272,732
Depreciation charged in year	71,263	4,947	449	44,130	120,789
Released on disposal	-	-	-	-	-
31 March 2025	1,136,915	256,593	15,529	984,484	2,393,521
31 March 2025	3,462,253	23,150	673	148,846	3,634,922
31 March 2024	3,533,516	2,264	1,121	69,783	3,606,684

10.B TANGIBLE FIXED ASSETS – OTHER - ASSOCIATION

Cost	Land and Buildings £	Office Equipment £	Plant and Other Equipment £	Computer Equipment £	Total £
1 April 2024	4,599,168	253,910	16,202	1,010,137	5,879,417
Additions	-	25,833	-	123,193	149,026
Disposals	-	-	-	-	-
31 March 2025	4,599,168	279,743	16,202	1,133,330	6,028,443
1 April 2024	1,065,652	251,646	15,080	940,354	2,272,732
Depreciation charged in year	71,263	4,947	449	44,130	120,789
Released on disposal	-	-	-	-	-
31 March 2025	1,136,915	256,593	15,529	984,484	2,393,521
31 March 2025	3,462,253	23,150	673	148,846	3,634,922
31 March 2024	3,533,516	2,264	1,121	69,783	3,606,684

11. INVESTMENT PROPERTIES – GROUP

	2025 £	2024 £
At 1st April	2,238,000	2,202,062
Additions	-	2,640
Increase in value	100,000	33,298
At 31 March	2,338,000	2,238,000

Investment properties were valued as at 31 March 2025 by Allied Surveyors Scotland Chartered Surveys, Sheperd 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 2024	3,265,894	3,265,894	3,265,894	3,265,894
Additions	164,234	164,234	164,234	164,234
31 March 2025	3,430,128	3,430,128	3,430,128	3,430,128

Clyde Valley Housing Association Ltd owns 2,000,002 ordinary £1 shares in Innov8 Housing Solutions Ltd. This represents a 42% shareholding in Innov8 Housing Solutions Ltd, a company registered in Scotland, whose principal activity is that of provision of rented residential accommodation at intermediate market levels. 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 for the year. However, under the terms of the shareholders' agreement the Association's ultimate return may differ from 42% at the end of the agreement.

13. INVESTMENTS

	Group		Association	
	2025 £	2024 £	2025 £	2024 £
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 2025, the capital and reserves of Clyde Valley Property Services were £2,319,476 (2024: £2,373,975) with a loss for the year of £54,498 (2024: gain £291,068).

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 2024	(24,000)
Charge for year	(12,000)
At 31 March 2025	(36,000)
Net book value	
At 31 March 2025	24,000
At 31 March 2024	36,000

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	
	2025 £	**2024 £**	**2025 £**	**2024 £**
Work in progress	413,246	412,826	-	-
Incomplete renovation contracts	423,339	96,101	423,339	96,101
	836,585	508,927	423,339	96,101

16. DEBTORS

	Group		Association	
Amounts falling due within one year:	**2025 £**	**2024 £**	**2025 £**	**2024 £**
Rent and service charges receivable	1,072,736	1,418,689	1,072,736	1,418,689
Less: provision for bad and doubtful debts	(705,052)	(875,212)	(705,052)	(875,212)
	367,684	543,477	367,684	543,477
Other debtors	930,970	1,215,593	364,309	712,684
Prepayments and accrued income	1,326,284	700,730	1,326,060	671,869
Amounts due from Group undertakings	-	-	699,914	479,337
	2,624,938	2,459,800	2,757,967	2,407,367

Debtors ageing for amounts owed from Group undertakings:

	2025 £	**2024 £**
Amounts due within 1 year	700,296	479,337
Amounts due within 1 to 2 years	-	-
	700,296	479,337

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Association	
	2025	2024	2025	2024
	£	£	£	£
Debt (note 20)	3,200,000	3,200,000	3,200,000	3,200,000
Rent and service charges received in advance	1,185,938	897,518	1,185,938	717,547
Deferred capital grants (note 19)	2,991,762	2,981,627	2,991,762	2,981,627
Trade creditors	613,871	128,392	608,367	122,969
Other Tax and Social Security	126,240	59,610	102,691	-
Other creditors	298,952	1,516,706	178,825	554,421
Accruals and deferred income	3,089,241	3,750,029	2,925,306	4,381,820
	11,506,004	12,533,882	11,192,889	11,958,384

18. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Association	
	2025	2024	2025	2024
	£	£	£	£
Debt (note 20)	129,667,872	129,967,872	129,667,872	129,967,872
Deferred capital grant (note 19)	206,431,599	205,732,260	206,431,599	205,732,260
Retentions	558,576	450,734	558,577	450,734
Interest Rate SWAPS	709,380	1,034,334	709,380	1,034,334
Other Creditors	2,000,000	2,423,115	2,000,003	2,423,115
Pension Deficit	856,000	924,000	856,000	924,000
	340,223,427	340,532,315	340,223,431	340,532,315

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 2024	223,324,500	16,554,087	115,618	239,994,205
Transfers	5,643,540	(5,643,540)	-	-
Grant Received in the year 2024/25	-	3,876,507	-	3,876,507
On Disposals 2024/25	(46,044)	-	-	(46,044)
Gross Grant Creditor as at 31st March 2025	228,921,996	14,787,054	115,618	243,824,668
Amortisation				
At 1st April 2024	(31,231,735)	-	(52,252)	(31,283,987)
Amortisation in the year	(3,116,824)	-	(496)	(3,117,320)
Total Amortisation as at 31st March 2025	(34,348,559)	-	(52,748)	(34,401,307)
Net Grant Creditor				
As at 31st March 2025	194,573,437	14,787,054	62,870	209,423,361
As at 1st April 2024	192,096,930	16,554,087	62,870	208,713,887
Deferred Capital Grant due within 1 year				2,991,762
Deferred Capital Grant due after 1 year				206,431,599
Total deferred Capital Grant due				209,423,361

20. DEBT ANALYSIS – BORROWINGS

	Group		Association	
	2025	2024	2025	2024
	£	£	£	£
Creditors: amounts falling due within one year:				
Bank loans	3,200,000	3,200,000	3,200,000	3,200,000
Creditors: amounts falling due after more than one year:				
Bank loans	130,220,000	130,420,872	130,220,000	130,420,872
Private Placement fees paid	(552,128)	(552,128)	(552,128)	(552,128)
Total	132,867,872	133,068,744	132,867,872	133,068,744

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 £133,420,000 (2023: £133,620,847) are secured against the Association's housing properties.

Bank Borrowings of £5,000,000 bear average fixed-rate coupons of 5.08% per annum (2024: 5.08%). Bank Borrowings of £55,420,000 bear average variable-rate coupons of 0.75% above SONIA (2024: 0.75%). Bank Borrowings of £70,000,000 bear average fixed rate coupons of 3.51%. Bank Borrowings of £3,000,000 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 2048 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	
	2025	2024	2025	2024
	£	£	£	£
Due within one year	3,200,000	3,200,000	3,200,000	3,200,000
Due in one year or more but less than two years	4,200,000	8,738,800	4,200,000	8,738,800
Due between two and five years	20,160,000	15,010,400	20,160,000	15,010,400
Due more than five years	105,307,872	106,118,672	105,307,872	106,118,672
	132,867,872	133,067,872	132,867,872	133,067,872

21. FINANCIAL INSTRUMENTS

	Group		Association	
	2025	2024	2025	2024
	£	£	£	£
Financial liabilities:				
Measured at fair value through income and expenditure				
- Other financial liabilities	709,380	1,034,334	709,380	1,034,334

In order to manage interest rate risk, the Association has entered into the following hedging instruments, which are in place as at 31st March 2025.

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.

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	
	2025 Number	2024 Number	2025 Number	2024 Number
Number of members				
1 April 2024	62	66	62	66
Joined during the year	5	3	5	3
Left during year	(3)	(7)	(3)	(7)
31 March 2025	64	62	64	62

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

	2025 £	2024 £
Surplus for the year	11,130,378	9,536,672
Depreciation of tangible fixed assets	7,248,125	6,952,244
Fair value gain on investment properties	-	33,298
Amortisation of Grants	(3,117,320)	(3,034,776)
Loss on disposal of tangible fixed assets	133,677	112,627
Fair Value Adjustment to Investment Properties	100,000	-
W/O Prior Year Adjustments	190,046	-
Operating cash flows before movements in working capital	15,684,906	13,600,065
(Increase)/Decrease in stock	(327,657)	5,448,630
(Increase) in trade and other debtors	(96,248)	(359,035)
Increase in trade and other creditors	(959,410)	(1,136,360)
Cash generated from operations	14,301,591	17,553,300

Cash and Cash Equivalents (Group)

	2025 £	2024 £
Cash and Cash Equivalents represent:-		
Cash at Bank	2,014,314	1,896,425
	2,014,314	1,896,425

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

	2024 £	2024 £
Surplus for the year	11,026,390	9,190,421
Depreciation of tangible fixed assets	7,248,125	6,952,244
Fair value gains on investment properties	-	-
Amortisation of Grants	(3,117,320)	(3,034,776)
Loss on disposal of tangible fixed assets	133,677	112,627
W/O Prior Year Adjustments	190,046	-
Gift Aid from Subsidiary	238,446	-
Operating cash flows before movements in working capital	15,719,364	13,220,516
(Increase)/Decrease in stock	(327,237)	2,317,667
(Increase)/Decrease in trade and other debtors	(281,710)	3,102,135
(Decrease) in trade and other creditors	(744,593)	(1,297,497)
Cash generated from operations	14,365,824	17,342,821

Cash and Cash Equivalents (Association)	2025 £	2024 £
Cash at Bank	1,990,323	1,688,159
	1,990,323	1,688,159

25. CAPITAL COMMITMENTS AND OTHER CONTRACTUAL OBLIGATIONS

	Group		Association	
	2025 £	2024 £	2025 £	2024 £
Capital expenditure contracted for but not provided in the financial statements	9,427,960	5,749,909	9,427,960	5,749,909

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 2018. This valuation revealed a deficit of £121m. A recovery plan has been put in place to eliminate the deficit which runs to March 2023 for many employers, although certain employers have different arrangements.

For accounting purposes, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2019 and 30 September 2019. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are in used in conjunction with the Association's fair share of the scheme's total assets to calculate the Association's net deficit or surplus at the accounting period start and end dates.

Under the defined benefit pension accounting approach, the SHAPS net deficit as at 1 April 2024 was £924,000 as at 31 March 2025 £856,000.

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. On the 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefit changes met the necessary standards. However, details of the legislation have not been announced. Subject to the entity being able to comply with the legislation and the pension scheme obtaining the required written actuarial confirmation, the Board do not expect the valuation of the scheme liabilities to change.

26. RETIREMENT BENEFITS (continued)

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

	31 March 2025 (£000s)	31 March 2024 (£000s)
Fair value of plan assets	6,325	6,828
Present value of defined benefit obligation	7,181	7,752
Surplus (deficit) in plan	(856)	(924)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(856)	(924)
Deferred tax	*	*
Net defined benefit asset (liability) to be recognised	*	*

* to be completed by the employer if required

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

	Period from 31 March 2024 to 31 March 2025 (£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 2024 to 31 March 2025 (£000s)
Defined benefit obligation at start of period	7,752
Current service cost	-
Expenses	11
Interest expense	373
Member contributions	-
Actuarial losses (gains) due to scheme experience	303
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	(942)
Benefits paid and expenses	(316)
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	7,181

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

	Period from 31 March 2024 to 31 March 2025 (£000s)
Fair value of plan assets at start of period	6,828
Interest income	328
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(526)
Employer contributions	11
Member contributions	-
Benefits paid and expenses	(316)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	6,325

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was (£198,000).

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

	Period from 31 March 2024 to 31 March 2025 (£000s)
Current service cost	-
Expenses	11
Net interest expense	45
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)	56

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)

	Period from 31 March 2024 to 31 March 2025 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(526)
Experience gains and losses arising on the plan liabilities - gain (loss)	(303)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	942
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	113
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)	113

ASSETS

	31 March 2025 (£000s)	31 March 2024 (£000s)
Global Equity	733	785
Absolute Return	-	307
Distressed Opportunities	-	251
Credit Relative Value	-	240
Alternative Risk Premia	-	246
Liquid Alternatives	1,165	-
Emerging Markets Debt	-	120
Risk Sharing	-	410
Insurance-Linked Securities	24	42
Property	313	289
Infrastructure	1	654
Private Equity	5	5
Real Assets	755	-
Private Debt	-	275
Opportunistic Illiquid Credit	-	272
Private Credit	789	-
Credit	269	-
Investment Grade Credit	289	-
High Yield	-	1
Cash	34	177
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	2	51
Secured Income	146	228
Liability Driven Investment	1,781	2,470
Currency Hedging	11	(3)
Net Current Assets	8	8
Total assets	6,325	6,828

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 2025 % per annum	31 March 2024 % per annum
Discount Rate	5.85%	4.91%
Inflation (RPI)	3.09%	3.14%
Inflation (CPI)	2.79%	2.78%
Salary Growth	3.79%	3.78%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 (Years)
Male retiring in 2025	20.2
Female retiring in 2025	22.7
Male retiring in 2045	21.5
Female retiring in 2045	24.2

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:

1 tenant is on our Board.

Remuneration was paid to the chair, chair of Audit committee of CVHA and chair of CVPS during the year amounting to £14,000 (2024: £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 (2024: £7,077).

Innov8 housing solutions is a 42% owned Joint Venture 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 £31,384 (2024: £19,844).

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