

Registered Housing Association No. HAC326  
FCA Reference No. 2562R(S)  
Scottish Charity No. SC029908

**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

**REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2025**

**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

**REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2025**

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**HILLHEAD HOUSING ASSOCIATION 2000 Limited**

**MANAGEMENT COMMITTEE, EXECUTIVES and ADVISERS**

**Year ended 31 March 2025**

**Management Committee**

John Jamieson  
Karen McIntyre  
Stuart Niven  
Amanda McIntyre  
Robert Smith  
Mary Docherty  
Cllr Susan Murray  
Claire Taylor  
Gary Jackson  
Walid Hassan  
Peter O'Connell  
Alistair MacPhee  
Cllr Pamela Marshall  
Helen Bremner  
Allan Coll  
Provost Gillian Renwick  
Cllr Calum Smith

Chairperson  
Vice Chairperson  
Treasurer  
Secretary

Resigned 2 October 2024

Resigned 21 August 2024

Resigned 7 August 2024

Resigned 4 December 2024

Co-opted from 6 November 2024

Co-opted from 6 November 2024

Appointed from 7 May 2025

Appointed from 7 May 2025

**Executive Officers**

Catherine McKiernan  
Stephen Tait

Director  
Depute Director

**Registered Office**

2 Meiklehill Road  
Hillhead  
Kirkintilloch  
Glasgow  
G66 2LA

**External Auditors**

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

**Internal Auditors**

Wbg  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers**

RBS  
116 Cowgate  
Kirkintilloch  
Glasgow  
G66 1JX

**Finance Agents**

FMD Financial Services

**Solicitors**

Brechin Tindall Oats  
48 St Vincent Street  
Glasgow  
G2 5HS

## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

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

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

#### **Legal Status**

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No. 2562R(S). The Association is governed under its Rule Book. The Association is a registered Scottish Charity with the charity number SC029908.

#### **Principal Activities**

The principal activities of the Association are the provision and management of affordable rented accommodation.

### **REVIEW OF BUSINESS**

#### **Context**

Hillhead Housing Association is a community based housing association in the Hillhead area of Kirkintilloch. We own and manage 830 properties, 808 in Hillhead and a further 22 at Braes o'Yetts.

Our office is open to the public 34 hours per week Monday to Friday and appointments are not required.

Our main income source is rents, in 2024/25 our rent roll was £4.548m. Although the actual amount charged in rent is lower allowing for times when properties are void.

Following a rent increase of 6.6% in 2024/25, we consulted on a rent increase for 2025/26 of CPI + 1% over the winter, based on the October 2024 CPI figure. Thereafter, the Management Committee approved a rent increase of 3.3% which took effect on 28 March 2025.

We continue to face an extremely challenging external economic environment.

Hillhead Housing Association made an operating surplus of £1.268m during the year to 31 March 2025. Its financial operations remain stable, and we continue to be supported by a Loan Facility from RBS (Royal Bank of Scotland). Our funding requirements are reviewed regularly and we seek to balance prudence, longer term certainty and value for money in our funding arrangements.

The net cost of housing assets at 31 March 2025 is £27.776m.

The net cost of other fixed assets is £885,400.

Cash balances at 31 March 2025 amount to £5.983m, significantly higher than budgeted, mainly due to the receipt of almost £4.6m in grant funding re the new housing development at Fauldhead Rd.

Long-term creditors are £13.444m and deferred income is £15.585m. The value of the defined benefits pension scheme is now (£159,000), leaving the Association a general reserve of £3.568m.

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

The members of the Management Committee and the Executive Officers are listed on page 2. Our governing body is our Management Committee, which is responsible to the wider membership.

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

It is the responsibility of the Management Committee to devise the strategy and set the overall direction of the Association. They also monitor the operational activities of the Association. The members of the Management Committee are unpaid.

The members of the Management Committee are also Trustees of the Charity. Members of the Management Committee are appointed by the shareholding membership at the Annual General Meeting.

## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

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

Good governance is integral to all of the Association's activities. We have a robust framework in place to ensure that we are compliant with all of our Regulatory requirements, including the Regulatory standards set by the Scottish Housing Regulator and our responsibilities in relation to tenant and resident health and safety. This is monitored throughout the year by both the Audit Sub-Committee and the Management Committee. Our assurance mapping and consideration of evidence to support the Annual Assurance Statement submission is a continuous activity.

#### **Committee Members**

Our Committee is led by John Jamieson who was re-elected Chair for a fourth year following our AGM in September 2024. We have had a small number of changes in the make up of our Management Committee during the year. We were delighted to welcome two new tenant members, Helen Bremner and Allan Coll, who were co-opted to the Management Committee in November 2024.

Any vacancies on the Management Committee are filled from members of the community who are interested in the Association's aims and objectives for the area and come from a range of backgrounds. Induction training is provided for all new committee members. Ongoing training is provided to all Committee members and all members take part in an annual appraisal process designed to ensure effectiveness and minimise skills gaps.

Details of our Management Committee are kept updated on our public website  
<https://www.hillheadhousing.org/our-management-committee/>

#### **Corporate Issues**

Tenant engagement and participation is one of our strategic aims, and we encourage and offer a variety of opportunities for tenants to get involved in the Association's work. We conducted our 3 yearly large scale Tenant Satisfaction Survey during the autumn of 2024 and held follow up focus groups with a number of interested tenants. We also consulted widely on a new Tenant Participation Strategy which was approved by Management Committee in February 2025. During the year we introduced new software to allow us to engage with tenants in a more targeted and nuanced fashion.

In terms of staffing, Paula McCann joined the organisation as Head of Housing Services in May 2024.

We continue to offer staff a form of hybrid working where appropriate and promote staff health and well-being through a variety of initiatives.

#### **Business Plan**

Our current 5 year business plan runs until March 2026. Management Committee receive regular progress reports relating to the achievement of the strategic objectives contained within the business plan. During 2024/25 we commenced preparation of the new business plan in a collaborative manner involving all staff and Management Committee members, including a Strategy Day held in March 2025.

#### **Risk management**

The Association has an active risk management process, with policies, risk registers and a business continuity plan. All major risks are considered so mitigating action can be planned.

Our main internal risks include, loss of key staff or committee, governance failures, fraud, and health & safety failures. These are mitigated by robust plans, policies, procedures, and a range of audits. External risks include, economic and social impact of the cost-of-living crisis and energy costs, changes in regulatory requirements, data loss/cyber-security issues and current macro-economic forces including inflation, interest rates and material and labour shortages. These all are having an impact on our business. We aim to mitigate these by close attention to external information and advice, active membership of representative bodies and obtaining best practice advice on IT security and data protection matters.

## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

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

Cybercrime remains a key business risk for the Association and we were pleased to successfully renew our Cyber Essentials accreditation in June 2024 and our Cyber Essentials+ reaccreditation in September 2024. This provides robust testing of all our cyber security measures. We plan to seek reaccreditation in 2025.

#### **Performance Management and Service Delivery**

Performance management and service delivery are high priorities for the Association, and we strive for excellence in relation to tenant and resident health and safety.

The staff team continues to work extremely hard to achieve the outcomes in the Scottish Social Housing Charter and we continually assess our performance in all areas of service delivery throughout the year.

Performance in arrears management is closely monitored as many of our tenants continue to be impacted by the ongoing cost of living crisis, high cost of essential items and persistent inflation. Despite these pressures, we have sustained an ongoing reduction in the level of gross rent arrears to 2.97% at the end of March 2025. This is the sixth consecutive year in which our level of gross arrears has fallen. We believe this is partly attributable to our ethos of fostering supportive relationships with tenants, and to our proactive tenancy sustainment activities

Our repairs response times continue to be amongst the best in the country with an average time of 1.31 hours to attend to emergency repairs and 2.24 days to attend to non-emergency repairs, both improved on marginally since 2023/24.

We continue to submit all statutory and regulatory returns as due and our low level of engagement with the Scottish Housing Regulator continues.

#### **Best use of resources**

We regularly conduct risk assessments and take any action necessary to reduce or limit risk. We have an up-to-date life cycle costing plan which is incorporated into our longer-term financial projections. Given the current economic environment we continue to review these plans annually and we meet regularly with our funder, RBS, and keep them updated with our financial and strategic plans. We refinanced with RBS during the year to secure a package of loans to meet our future needs.

#### **Development Issues**

Hillhead has a strong track record in development activity and continues to seek development opportunities in the area as they arise. We are currently identified as the affordable housing provider for two sites within the Council's Strategic Housing Investment Plan. The developer for both sites is CALA Homes.

On 25 June 2024 we concluded the purchase of the site at Fauldhead Road and entered into a building contract with McTaggart Construction to deliver 41 homes for social rent. Work on site has progressed as planned throughout the remainder of the financial year and we anticipate the first handovers taking place during summer 2025. We have been awarded Scottish Government grant to partially fund this development and will use private finance to fund the remaining costs.

The second site will provide a further 16 social rented homes, although we have yet to enter a formal development agreement for this site.

C~urb are acting as our Development Advisors.

#### **Wider Role**

Our tenants, like those elsewhere, are facing the challenges of rising costs of living with high levels of inflation and ongoing high energy costs. We continue to engage with tenants to signpost them in the direction of financial advice and support. Our in-house welfare rights, income maximisation and tenancy support services are key activities that we fund out of our own rental income. We also continue to sell our Welfare Rights service to Caledonia Housing Association and East Dunbartonshire Food Bank for a small number of hours each week.

## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

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

During the year, the service dealt with 237 cases and generated annual additional client financial gains amounting to £794,700 for the local community including £519,300 for Hillhead tenants. This was a significant uplift on the previous year, partly down to the Department of Work & Pensions and Social Security Scotland dealing with a backlog of claims.

We continue to promote and support community-based activities where these are relevant to the Association. Our Community Garden has had significant work to revive it from the Covid hangover and we are indebted to our volunteers and the Community Justice team at East Dunbartonshire Council who collaborated with us to achieve a vibrant space which can again welcome local schools, community groups, and individuals. Our membership of the Dolly Parton Imagination Library is ongoing, this provides books to pre-school children and is supported with funding from our reactive repairs' contractor. We also organised successful litter picks and estate walkabouts.

#### **Investment**

##### **Appraisal**

All capital expenditure is regulated by budgetary process and authorisation levels. For expenditure beyond specified levels, detailed written proposals must be submitted to the Committee. Reviews are carried out during the development period, to monitor expenditure and performance.

##### **Internal Financial Control**

The Management Committee is responsible for establishing and maintaining the Association's system of internal control. Internal control systems are designed to meet the needs of the Association and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss. The Association has procedures in place which the Management Committee has established with a view to providing effective internal financial controls.

##### **General Reserves Policy**

The Committee members have reviewed the reserves of Hillhead Housing Association. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. During the year £616,000 was added to the Association's reserves. The Committee seeks to ensure that the budgeting of the Association's results continues to maintain the reserves above a satisfactory level.

##### **Budgetary Process**

Each year the Management Committee approves the annual budget, 5-year financial projections and a rolling 30-year financial plan. Key risk areas are identified. Performance is monitored and relevant action taken.

Throughout the year through quarterly reporting to the Management Committee of variances from the budget, updated forecasts for the year together with information on the key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure, and treasury management.

##### **Treasury Management**

The Association has an active treasury management function, which operates in accordance with the Treasury Management Policy approved by the Management Committee. In this way the Association manages its 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.

##### **Employee Involvement and Health & Safety**

The Association encourages employee involvement in all Health and Safety initiatives. The Association monitors its Health and Safety work closely. Health & Safety now has greater prominence including a particular emphasis on staff well-being.

##### **Quality and Integrity of Personnel**

The integrity and competence of personnel are ensured through high recruitment standards, subsequent training courses, and annual appraisals. High quality personnel are seen as an essential part of the control environment and the ethical and performance standards expected are communicated through the senior staff and Management Committee.

## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

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

##### **Statement of Management Committee's Responsibilities**

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

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

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

##### **Disclosure of information to the auditor**

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

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

##### **Donations**

During the year the Association made charitable donations amounting to £100 (2024 - £990). In addition, the Association received funding of £35,524 (2024 - £24,808) from various sources to distribute to local residents to assist with cost of living problems and fuel poverty.

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

**Amanda McIntyre**  
**Secretary**





## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

**For the year ended 31 March 2025**

#### **Statement on Internal Financial Control**

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

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

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

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

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

**BY ORDER OF THE MANAGEMENT COMMITTEE**

**Amanda McIntyre**  
**Secretary**

**06 August 2025**

**REPORT by the AUDITORS to the MEMBERS OF  
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED  
On CORPORATE GOVERNANCE MATTERS**

In addition to our audit of the Financial Statements, we have reviewed your statement on page 9 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

**Basis of Opinion**

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

**Opinion**

In our opinion the Statement on Internal Financial Control on page 9 has provided the disclosures required by the relevant Regulatory Standards within the publication 'Our Regulatory Framework' and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

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

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

**INDEPENDENT AUDITORS REPORT to the MEMBERS OF  
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

**Opinion**

We have audited the financial statements of Hillhead Housing Association 2000 Limited (the 'Association') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

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

We have nothing to report in this regard.

## **INDEPENDENT AUDITORS REPORT to the MEMBERS OF**

### **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED (continued)**

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

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

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

#### **Responsibilities of the Management Committee**

As explained more fully in the Statement of Management Committee's Responsibilities as set out on Page 8, the Management Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

**INDEPENDENT AUDITORS REPORT to the MEMBERS OF  
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED (continued)**

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

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

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

**Use of our report**

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

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

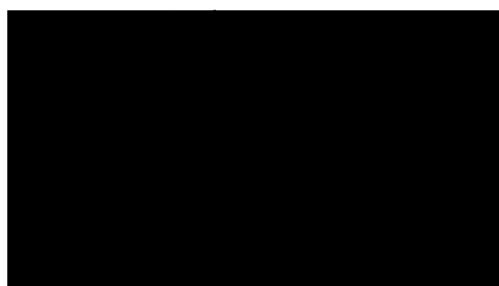
# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## STATEMENT of COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	£	2025 £	£	2024 £
Revenue	2		4,969,267		4,807,991
Operating costs	2		(3,701,036)		(3,613,964)
<b>Operating surplus</b>			<b>1,268,231</b>		<b>1,194,027</b>
Interest receivable and other income		79,547		39,619	
Interest payable and similar charges	7	(749,783)		(798,837)	
Other finance charges		(9,000)		(3,000)	
			<b>(679,236)</b>		<b>(762,218)</b>
Surplus before other comprehensive income	8		<b>588,995</b>		<b>431,809</b>
<b>Other comprehensive income</b>					
Actuarial gain/(loss) in respect of pension scheme	21		<b>27,000</b>		<b>(105,000)</b>
<b>Total comprehensive income</b>			<b>615,995</b>		<b>326,809</b>

The financial statements were approved by the Management Committee and authorised for issue and signed on their behalf by:



Chairperson – John Jamieson

Committee Member – Karen McIntyre

Secretary – Amanda McIntyre

06 August 2025

The notes on pages 17 to 29 form part of these financial statements.

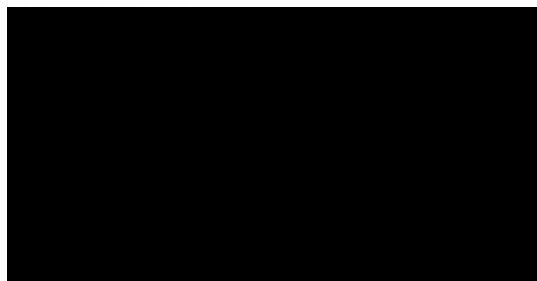
**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

**STATEMENT of FINANCIAL POSITION**

**As at 31 March 2025**

	Notes	£	2025 £	£	2024 £
<b>Non-current assets</b>					
Housing properties – depreciated cost	10(a)		27,775,714		23,263,911
Other non-current assets	10(b)		885,448		910,805
			<u>28,661,162</u>		<u>24,174,716</u>
<b>Current assets</b>					
Receivables	12	205,860		195,371	
Cash at bank and in hand		5,983,511		2,371,803	
			<u>6,189,371</u>	<u>2,567,174</u>	
<b>Creditors:</b> amounts falling due within one year	13	(2,093,694)		(959,773)	
			<u>4,095,677</u>	<u>1,607,401</u>	
<b>Net current assets</b>					
			<u>32,756,839</u>	<u>25,782,117</u>	
<b>Total assets less current liabilities</b>					
<b>Creditors:</b> amounts falling due after more than one year	14		(13,444,000)		(11,294,000)
<b>Deferred income</b>					
Social Housing Grants	16	(15,236,955)		(10,998,383)	
Other grants	16	(348,462)		(360,310)	
			<u>(15,585,417)</u>	<u>(11,358,693)</u>	
<b>Provisions for liabilities</b>					
Pension – defined benefit liability	21		(159,000)		(177,000)
			<u>3,568,422</u>	<u>2,952,424</u>	
<b>Net assets</b>					
			<u>3,568,422</u>	<u>2,952,424</u>	
<b>Equity</b>					
Share capital	17		54		51
Revenue reserves			3,727,368		3,129,373
Pension reserves			(159,000)		(177,000)
			<u>3,568,422</u>	<u>2,952,424</u>	

The financial statements were approved by the Management Committee and authorised for issue and signed on their behalf by:



Chairperson – John Jamieson

Committee Member – Karen McIntyre

Secretary – Amanda McIntyre

06 August 2025

The notes on pages 17 to 29 form part of these financial statements.

**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

**STATEMENT of CASH FLOWS**

**For the year ended 31 March 2025**

	Notes	£	2025 £	£	2024 £
<b>Net cash inflow from operating activities</b>	15		2,832,602		1,761,895
<b>Investing activities</b>					
Acquisition and construction of properties		(5,435,868)		(225,126)	
Purchase of other fixed assets		(2,404)		(570)	
Grants Received		4,597,611		-	
<b>Net cash outflow from investing activities</b>			(840,661)		(225,696)
<b>Financing activities</b>					
Interest received on cash and cash equivalents		79,547		39,619	
Interest paid on loans		(749,783)		(798,837)	
Loan principal repayments		(3,009,000)		(2,210,000)	
Loans Received		5,299,000		-	
Share capital issued		6		3	
Cancelled shares		(3)		(1)	
<b>Net cash inflow from financing activities</b>			1,619,767		(2,969,216)
<b>Increase/(decrease) in cash</b>			3,611,708		(1,433,017)
<b>Opening cash and cash equivalents</b>			2,371,803		3,804,820
<b>Closing cash and cash equivalents</b>			5,983,511		2,371,803
			=====		=====
<b>Cash and cash equivalents at 31 March 2025</b>			5,983,511		2,371,803
			=====		=====

**Analysis of Changes in Net Debt**

	2024 £	Cash Flows £	Non-cash Changes Finance Leases £	Other Changes £	2025 £
Long-term borrowings	(11,294,000)	(2,290,000)	-	140,000	(13,444,000)
Short-term borrowings	(550,000)	-	-	(140,000)	(690,000)
		-			
Total liabilities	(11,844,000)	(2,290,000)	-	-	(14,134,000)
Cash and cash equivalents	2,371,803	3,611,708	--		5,983,511
<b>Total net debt</b>	<b>(9,472,197)</b>	<b>1,321,708</b>	<b>-</b>	<b>-</b>	<b>(8,150,489)</b>
	=====	=====	=====	=====	=====

The notes on pages 17 to 29 form part of these financial statements.



**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

**STATEMENT of CHANGES in EQUITY**

**As at 31 March 2025**

	<b>Share Capital £</b>	<b>Pension Reserve £</b>	<b>Revenue Reserve £</b>	<b>Total £</b>
<b>Balance as at 1 April 2023</b>	49	(69,000)	2,694,564	2,625,613
Issue of shares	3	-	-	3
Cancellation of shares	(1)	-	-	(1)
Surplus for the year	-	-	431,809	431,809
Pension scheme – movement in pension liability	-	(3,000)	3,000	-
Other comprehensive income – pension scheme	-	(105,000)	-	(105,000)
<b>Balance as at 31 March 2024</b>	51	(177,000)	3,129,373	2,952,424
	=====	=====	=====	=====
<b>Balance as at 31 March 2024</b>	51	(177,000)	3,129,373	2,952,424
Issue of shares	6	-	-	6
Cancellation of shares	(3)	-	-	(3)
Surplus for the year	-	-	589,995	588,995
Pension scheme – movement in pension liability	-	(9,000)	9,000	-
Other comprehensive income – pension scheme	-	27,000	-	27,000
<b>Balance as at 31 March 2025</b>	54	(159,000)	3,727,368	3,568,422
	=====	=====	=====	=====

## **HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

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

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

##### **Statement of compliance**

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

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

##### **Going concern**

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

##### **Revenue**

The Association recognises rent receivable net of losses from voids.

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

##### **Retirement benefits**

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

It has become possible to identify the share of underlying assets and liabilities belonging to individual participating employers as at 31 March 2019 and the scheme is now accounted for as a defined benefit plan, as opposed to defined contribution, for the benefit of its employees. No new benefits have been introduced and there is no change to the benefits themselves.

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

## HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

### NOTES to the FINANCIAL STATEMENTS (continue)

For the year ended 31 March 2025

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

##### Valuation of housing properties

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

Component	Useful economic life
Structure	50 years
Central heating	15 years
Windows	25 years
Kitchen	15 years
Bathroom	20 years
External doors	25 years
Rewiring	20 years
Environmental Works	20 years
Heat Detectors	10 years

##### Depreciation and impairment of other non-current assets

Non-current assets are stated at cost less accumulated depreciation. Items costing over £500 are considered for capitalisation. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following annual rates:

Asset Category	Depreciation Rate
Office premises	2%
Furniture and fittings	33%
Computer and office equipment	33%
Van	33%

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

##### Social Housing Grant and other grants in advance/arrears

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

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

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

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

## HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

### NOTES to the FINANCIAL STATEMENTS (continue)

For the year ended 31 March 2025

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

##### **Estimation uncertainty**

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

(a) Rent Arrears – Bad Debt Provision

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

(b) Life Cycle of Components

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

(c) Useful life of properties, plant and equipment

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

##### **Leases/leased assets**

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

##### **Works to existing properties**

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

##### **Capitalisation of development overheads**

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

##### **Development interest**

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

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

(a) The Categorisation of Housing Properties

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

(b) Identification of Cash Generating Units

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

(c) Financial instrument break clauses

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

# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continue)

For the year ended 31 March 2025

### 1. Principal accounting policies (continued)

#### (d) Pension liability

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

### 2. Particulars of Turnover, Operating Costs and Operating Surplus or Deficit from Affordable Letting and Other Activities

	2025			2024		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus (Deficit)
	£	£	£	£	£	£
Affordable letting activities (note 3)	4,915,850	3,547,071	1,368,779	4,735,138	3,444,633	1,290,505
Other activities (note 4)	53,417	153,965	(100,548)	72,853	169,331	(96,478)
Total	4,969,267	3,701,036	1,268,231	4,807,991	3,613,964	1,194,207
	=====	=====	=====	=====	=====	=====

### 3. Particulars of Income and Expenditure from Affordable Letting Activities

	General Needs Housing	
	2025	2024
	£	£
<b>Revenue from lettings</b>		
Rent receivable	4,548,568	4,268,305
<b>Gross income from rent and service charges</b>	4,568,568	4,268,305
<u>Less:</u> Rent losses from voids	32,772	31,139
<b>Net rentals receivable</b>	4,515,796	4,237,166
Grants released from deferred income	370,887	399,775
Revenue grants from Scottish Ministers	29,167	98,197
<b>Total turnover from affordable letting activities</b>	4,915,850	4,735,138
<b>Expenditure on affordable letting activities</b>		
Management and maintenance administration costs	1,651,287	1,494,870
Planned and cyclical maintenance, including major repairs	516,287	472,629
Reactive maintenance costs	454,118	484,543
Bad debts – rents	1,314	12,973
Depreciation of affordable let properties	924,065	979,618
<b>Operating costs of affordable letting activities</b>	3,547,071	3,444,633
<b>Operating surplus on affordable letting activities</b>	1,368,779	1,290,505
	=====	=====

The figure of £516,287 (2024: £472,629) for planned and cyclical maintenance includes major repairs of £202,379 (2024: £251,500).

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

NOTES to the FINANCIAL STATEMENTS (continue)

For the year ended 31 March 2025

4. Particulars of Revenue, Operating Costs and Operating Surplus or Deficit from Other Activities

	Grants From Scottish Ministers £	Other Revenue Grants £	Other Income £	Total Turnover £	Operating Costs Other £	Operating Surplus/ (Deficit) 2025 £	Operating Surplus/ (Deficit) 2024 £
Wider role activities	-	-	38,683	38,683	57,056	(18,373)	(21,247)
Welfare Rights	-	-	14,734	14,734	96,909	82,175)	(75,231)
Agency or management services	-	-	-	-	-	-	-
<b>Total from other activities</b>	-	-	53,417	53,417	153,965	(100,548)	(96,478)
2024	-	-	72,853	72,853	169,331	(96,478)	

# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continue)

For the year ended 31 March 2025

### 5. Officers Emoluments

Officers are defined in the Co-operative and Community Benefit Societies act 2014 as the members of the Management Committee, managers and employees of the Association. Key Management Personnel consist of members of the Management Committee and the Executive Officers listed on page 2.

	2025 £	2024 £
Aggregate emoluments payable to officers with emoluments greater than £60,000 (excluding pension contributions)	143,781 =====	150,193 =====
Pension contributions made on behalf of officers with emoluments greater than £60,000	13,616 =====	13,256 =====
Emoluments payable to Chief Executive (excluding pension contributions)	75,900 =====	85,373 =====
Total emoluments paid to key management personnel	157,397 =====	163,449 =====

The number of officers, including the highest paid officer, who received emoluments (excluding pension contributions) over £60,000 was in the following ranges:

	2025 No.	2024 No.
£80,000 to £90,000	-	1
£70,000 to £80,000	1	-
£60,001 to £70,000	1 =====	1 =====

Management Committee members received £116 (2024 - £694) in the year by way of reimbursement of expenses. No remuneration is paid to Management Committee members in respect of their duties to the Association.

### 6. Employee information

	2025 No.	2024 No.
The average monthly number of full-time equivalent persons employed during the year was:	23 =====	22 =====
The average total number of employees employed during the year was	24 =====	23 =====
	£	£
Staff costs were:		
Wages and salaries	893,675	837,532
Social Security costs	82,170	77,420
Other pension costs	79,609	75,679
	1,055,454 =====	990,631 =====

### 7. Interest payable and similar charges

	2025 £	2024 £
On bank loans and overdrafts	749,783 =====	798,837 =====

# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continue)

For the year ended 31 March 2025

<b>8. Surplus/(deficit) for the year</b>	<b>2025</b>	<b>2024</b>
	£	£
Surplus for the year is stated after charging/(crediting):		
Depreciation – tangible owned fixed assets	951,826	1,014,600
Auditors' remuneration – audit services	15,240	12,500
Operating lease rentals – other	5,449	5,870
	=====	=====

## 9. Tax on surplus/(deficit) on ordinary activities

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

<b>10. Non-current assets</b>	<b>Housing Properties Held for letting</b>	<b>Housing Properties in course of construction</b>	<b>Total</b>
	£	£	£
(a) Housing properties			
<b>Cost</b>			
At 1 April 2024	33,991,958	20,851	34,012,809
Additions	452,911	4,982,942	5,435,853
Disposals	(253,598)	-	(253,598)
As at 31 March 2025	34,191,271	5,003,793	39,195,064
<b>Depreciation</b>			
As at 1 April 2024	10,748,883	-	10,748,883
Additions	924,065	-	924,065
Disposals	(253,598)	-	(253,598)
As at 31 March 2025	11,419,350	-	11,419,350
<b>Net book value</b>			
As at 31 March 2025	22,771,921	5,003,793	27,775,714
As at 31 March 2024	23,243,060	20,851	23,263,911
	=====	=====	=====



# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continue)

### For the year ended 31 March 2025

#### 10. Non-current assets (continued)

##### (a) Housing properties (continued)

Additions to housing properties include capitalised development administration costs of £Nil (2024: £Nil) and capitalised major repair costs to existing properties for £452,926 (2024: £204,275)

Disposals in the year amounted to £253,598 (2024: £231,472). No gains or losses were made on these disposals.

All land and housing properties are heritable.

Total expenditure on existing properties in the year amounted to £1,423,331 (2024: £1,161,447). The amount capitalised is £452,926 (2024: £204,275) with the balance charged to the statement of comprehensive income. The amounts capitalised can be further split between component replacement of £452,926 (2024: £204,275) and improvement of £Nil (2024: £Nil).

The Association's lenders have standard securities over Housing Property with a carrying value of £12,846,383 (2024: £17,995,506).

	Office Premises £	Furniture and Equipment £	Van £	Total £
(b) Other tangible assets				
<b>Cost</b>				
At 1 April 2024	1,104,577	408,579	28,784	1,541,940
Additions	-	2,402	-	2,402
Disposals	-	-	-	-
As at 31 March 2025	1,104,577	410,981	28,784	1,544,342
<b>Aggregate depreciation</b>				
As at 1 April 2024	198,827	403,522	28,784	631,133
Additions	22,092	5,669	-	27,761
Disposals	-	-	-	-
As at 31 March 2025	220,919	409,191	28,784	658,894
<b>Net book value</b>				
As at 31 March 2025	883,658	1,790	-	885,448
As at 31 March 2024	905,750	5,055	-	910,805

#### 11. Commitments under operating leases

At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:

	2025 £	2024 £
<b>Other</b>		
Not later than one year	4,616	4,570
Later than one year and not later than five years	-	-
	=====	=====

# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continue)

### For the year ended 31 March 2025

<b>12. Receivables:</b> amounts falling due within one-year	<b>2025</b>	<b>2024</b>
	£	£
Arrears of rent and service charges	115,536	137,953
<u>Less:</u> Provision for doubtful debts	(80,000)	(96,000)
	-----	-----
	35,536	41,953
Other receivables	170,324	153,416
	-----	-----
	205,860	195,371
	=====	=====
<b>13. Payables:</b> amounts falling due within one-year	<b>2025</b>	<b>2024</b>
	£	£
Housing loans	690,000	550,000
Trade payables	130,200	217,861
Rent received in advance	144,750	120,130
Other taxation and social security	21,030	22,243
Other payables	1,107,714	49,539
	-----	-----
	2,093,694	959,773
	=====	=====

At the balance sheet date there were pension contributions outstanding of £10,351 (2024: £9,812).

<b>14. Payables:</b> amounts falling due after more than one-year	<b>2025</b>	<b>2024</b>
	£	£
Housing loans	13,444,000	11,294,000
	=====	=====
<b>Housing loans</b>		
Amounts due within one year	690,000	550,000
Amounts due in one year or more but less than two years	728,500	350,000
Amounts due in two years or more but less than five years	3,585,500	4,549,000
Amounts due in more than five years	9,130,000	6,395,000
	-----	-----
	14,134,000	11,844,000
<u>Less:</u> Amount shown in current liabilities	690,000	550,000
	-----	-----
	13,444,000	11,294,000
	=====	=====

Housing loans are secured by specific charges on the Association's properties. Lenders have security over 533 of the Association's 830 properties. Loans are repayable at current rates of interest ranging from Sonia +1.5% to 6.6%. A Scottish government repayable grant of £680,000 is unsecured and repayable in two equal tranches in 2024 and 2034. No repayments have yet been made. No interest is charged on this.

**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

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

**For the year ended 31 March 2025**

**15. Statement of cash flows**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating surplus	1,268,231	1,194,027
Depreciation	951,826	1,014,600
Amortisation of capital grants	(370,887)	(399,775)
Change in debtors	(10,490)	(42,703)
Change in creditors	993,922	(4,254)
Actuarial movements on pension scheme	-	-
	-----	-----
Net cash inflow from operating activities	2,832,602	1,761,894
	=====	=====

	<b>Housing properties held for letting £</b>	<b>Housing properties in course of construction £</b>	<b>Total £</b>
<b>16. Deferred income</b>			
<b>Social Housing Grants</b>			
As at 1 April 2024	16,008,506	-	16,008,506
Additions	-	4,597,611	4,597,611
Eliminated on disposal of components and property	(113,330)	-	(113,330)
	-----	-----	-----
As at 31 March 2025	15,895,176	4,597,611	20,492,787
	-----	-----	-----
<b>Amortisation</b>			
As at 1 April 2024	5,010,123	-	5,010,123
Amortisation in year	359,039	-	359,039
Eliminated on disposal	(113,330)	-	(113,330)
	-----	-----	-----
As at 31 March 2025	5,255,832	-	5,255,832
	-----	-----	-----
<b>Net book value</b>			
As at 31 March 2025	10,639,344	4,597,611	15,236,955
	=====	=====	=====
As at 31 March 2024	10,998,383	-	10,998,383
	=====	=====	=====
<b>Other Grants</b>			
As at 1 April 2024	548,439	-	548,439
Disposals	-	-	-
	-----	-----	-----
As at 31 March 2025	548,439	-	548,439
	=====	=====	=====
<b>Amortisation</b>			
As at 1 April 2024	188,129	-	188,129
Amortisation in year	11,848	-	11,848
Disposals	-	-	-
	-----	-----	-----
As at 31 March 2025	199,977	-	199,977
	-----	-----	-----
<b>Net book value</b>			
As at 31 March 2025	348,462	-	348,462
	=====	=====	=====
As at 31 March 2024	360,310	-	360,310
	=====	=====	=====

# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continued)

### For the year ended 31 March 2025

#### 16. Deferred income (continued)

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

	2025 £	2024 £
Amounts due within one year	370,887	399,775
Amounts due in one year or more	15,214,530	10,958,918
	<u>15,585,417</u>	<u>11,358,693</u>
	=====	=====

#### 17. Share capital

	2025 £	2024 £
<b>Shares of £1 each issued and fully paid</b>		
As at 1 April 2024	51	49
Issued in year	6	3
Cancelled in year	(3)	(1)
	<u>54</u>	<u>51</u>
	=====	=====
At 31 March 2025		

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

#### 18. Housing Stock

	2025 No.	2024 No.
The number of units of accommodation in management at the year end was:		
General Needs – built by Association	213	213
General needs – purchased by Association	617	617
	<u>830</u>	<u>830</u>
	=====	=====

#### 19. Related party transactions

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

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

Management committee cannot use their position to their advantage. Any transactions between the Association and any entity with which a Management Committee member has a connection with is made at arm's length and is under normal commercial terms.

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

	2025 £	2024 £
Rent received from tenants on the Management Committee and their close Family	43,045	35,711
	<u>43,045</u>	<u>35,711</u>
	=====	=====

# HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

## NOTES to the FINANCIAL STATEMENTS (continued)

### For the year ended 31 March 2025

#### 19. Related party transactions (continued)

At the year end, total rent arrears owed by the family of tenant members on the Management Committee were £1,093 (2024: £920).

	2025 No.	2024 No.
Members of the Management Committee who are tenants	5	4
	=====	=====
Members of the Management Committee who are local councillors	2	2
	=====	=====

#### 20. Capital Commitments

Capital expenditure which has been contracted for but has not been provided for in the financial statements amounted to £2,342,512 (2024: £Nil).

#### 21. Retirement benefit obligations

##### General

Hillhead Housing Association 2000 Limited participates in the Scottish Housing Associations' Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive.

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

	2025 £	2024 £
Fair value of plan assets	1,073,000	1,178,000
Present value of defined benefit obligation	(1,232,000)	(1,355,000)
	-----	-----
Defined benefit (liability)/asset to be recognised	(159,000)	(177,000)
	=====	=====

**HILLHEAD HOUSING ASSOCIATION 2000 LIMITED****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2025****21. Retirement benefit obligations (continued)****Reconciliation of opening and closing balances of the defined benefit obligation**

	<b>2025</b>
	<b>£</b>
Defined benefit obligation at start of period	1,355,000
Current service cost	-
Expenses	2,000
Interest expense	66,000
Actuarial gains due to scheme experience	44,000
Actuarial losses due to changes in demographic assumptions	-
Actuarial losses due to changes in financial assumptions	(196,000)
Benefits paid and expenses	(39,000)
	-----
Defined benefit obligation at end of period	1,232,000
	=====

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

	<b>2025</b>
	<b>£</b>
Fair value of plan assets at start of period	1,178,000
Interest income	57,000
Experience on plan assets (excluding amounts included in interest income) - gain	(125,000)
Contributions by the employer	2,000
Benefits paid and expenses	(39,000)
	-----
Fair value of plan assets at end of period	1,073,000
	=====

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £68,000.

**Defined benefit costs recognised in statement of comprehensive income**

	<b>2025</b>
	<b>£</b>
Current service cost	-
Expenses	2,000
Net interest expense	9,000
	-----
Defined benefit costs recognised in statement of comprehensive income	11,000
	=====

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

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