WELLHOUSE HOUSING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Registration information

Financial Conduct Authority	Registered number 2469R(S)
Registered Housing Association No:	HAC281
Scottish Charity Number	SC036552

WELLHOUSE HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE, EXECUTIVE OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2026

MANAGEMENT COMMITTEE

Maureen Morris	Chair
David Gebbie	Vice-Chair
Gordon Kerr	Committee Member
Jane Heppenstall	Committee Member
Anna Dukova	Committee Member
Felix Lynn	Committee Member
Christian Dassi	Committee Member
Mary Cawley	Committee Member
Ann Marie Cunningham	Committee Member
Pamela Forrest	Co-opted Member (co-opted November 2025)
Sean Devine	Co-opted Member (co-opted February 2025, resigned 16 April 2025)

EXECUTIVE OFFICERS

Diane Hendry	Director & Secretary
Angela MacDonald	Housing & Customer Services Manager
William Black	Assets & Maintenance Manager
Bruce West	Finance Manager

REGISTERED OFFICE

The Hub
49 Wellhouse Crescent
Glasgow
G33 4LA

EXTERNAL AUDITOR

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

INTERNAL AUDITOR

Wylie & Bisset
168 Bath Street
Glasgow
G2 4TP

BANKERS

Virgin Bank plc
49 Main Street, Baillieston,
Glasgow
G69 6SQ

SOLICITORS

TC Young
7 West George Street
Glasgow
G2 1BA

WELLHOUSE HOUSING ASSOCIATION LIMITED

CONTENTS

	Page
Report of the Management Committee (incorporating the Strategic Report)	1-7
Report of the Auditor to the Management Committee on Internal Financial Control	8
Independent Auditor's Report to the Members on the Financial Statements	9-13
Statement of Comprehensive Income	14
Statement of Changes in Capital and Reserves	15
Statement of Financial Position	16
Statement of Cash Flows	17
Notes to the Financial Statements	18-40

WELLHOUSE HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 MARCH 2026

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

Legal Status

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No 2469R(S). The Association is governed under its Rule Book. The Association is a registered Scottish Charity with the charity number SC036552. The Association was incorporated in Scotland.

Strategic Report

Business Profile

Wellhouse Housing Association (referred to as "Wellhouse" or "WHA") is an independent social business that operates exclusively in the Wellhouse area of Easterhouse. We are a not-for-profit organisation, meaning that we reinvest any surpluses we make for the benefit of our customers instead of distributing them to shareholders.

WHA has the following statutory registrations:

- Office of the Scottish Charity Regulator: Registered Scottish Charity
- Scottish Housing Regulator: Registered Social Landlord
- Financial Conduct Authority: Registered Community Benefity Society
- Scottish Government: Registered Property Factor

The following graphic gives an at a glance overview of some of the main features of our business:

Community based housing association, registered in 1994
Governed by a volunteer Management Committee
Owner and manager of all social rented homes in Wellhouse
Provider of comprehensive housing, estate and asset management services
93.69% tenant satisfaction rating with WHA's overall service (ARC 2025/26)
Easthall Residents Association is a Community anchor organisation for Wellhouse
16 office-based staff and 4 estate management staff
Stable and capable workforce and governing body
WHA now owns and manages 794 homes, all located in Wellhouse
Also is a factor for 54 properties and an owner of a small portfolio of 4 commercial properties
Average weekly rent for 3 apartment property £91.02 in 2025/26
Rent increase 3.3% for 2025/26
New build projects under consideration, potential to provide circa 190 homes in the next 5 years

WHA is a significant business
Our turnover in 2025/26 was £4.5m
Our operating expenditure costs were £3.9m
21% of turnover was spent on staffing costs
Our operating surplus was 14% of annual turnover in 2025/26
The net book value of our housing stock was £25.5m at 31 March 2026
We had £6.2m of bank loans to be repaid in the long term at 31 March 2026
We had cash at bank and in current investments of £3.5m at 31 March 2026

Principal Activities

The principal activity of the Association is the provision and management of affordable rented accommodation.

Our Vision

Our vision is:

Wellhouse – *the Place to Be*

This simple statement expresses our vision of Wellhouse as an attractive place where people feel happy and safe, benefit from having a lovely home and an attractive environment and feel proud to be part of a vibrant community.

Our Values

We are committed to ensuring that the behaviour of our people reflects the importance we place on our values. Wellhouse' values are the basis for the work we do in partnership with our tenants, our people and other stakeholders.



CARING
we will strive to be the best we can for our communities.



OPEN
we will be open and honest about what we do.



RESPECTFUL
we trust and respect our customers and each other.

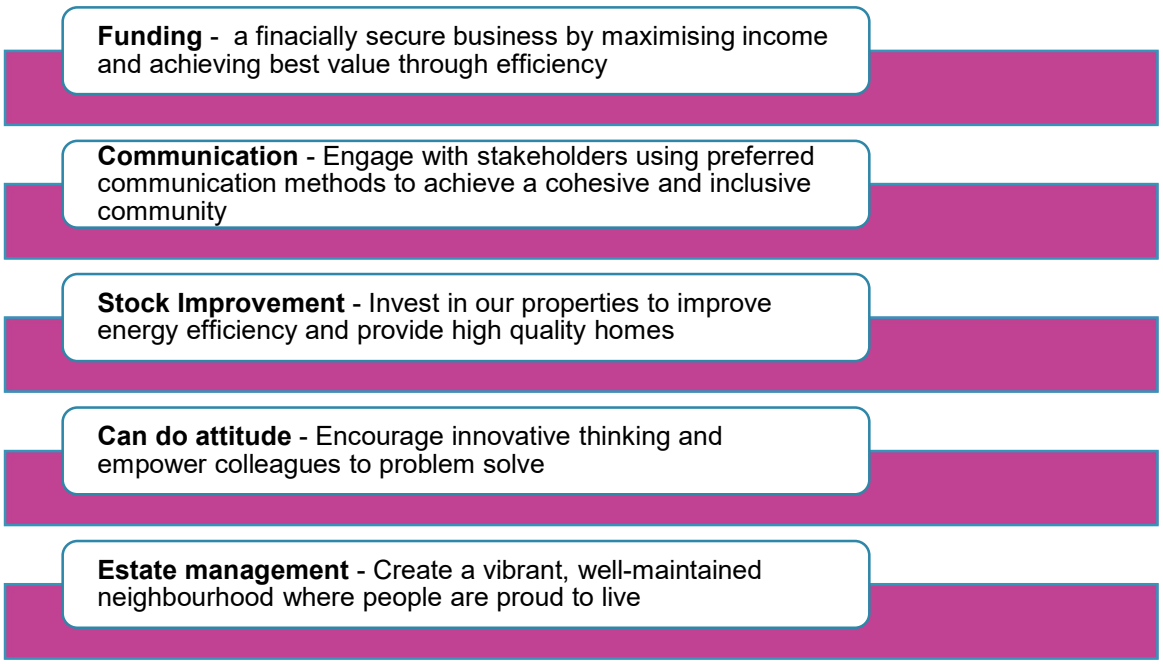


EMPATHY
we will listen and see things from our customers perspective.

Our Strategic Objectives

Our strategic objectives are the overarching aims we have set for the next three years, in particular the impact we want to make as:

- A housing provider
- A partner in supporting the Wellhouse community; and
- In the management of our organisation.



Our Strategic Direction

Review of Business 2025/26

1. Regulatory Engagement

- We continue to work with the Scottish Housing Regulator (SHR) in a positive and constructive manner. We submitted an assurance statement in October 2025 and all other regulatory returns timeously.
- Wellhouse is ***compliant*** with regulatory requirements, including the standards for governance and financial management.

2. Governance

- Held 9 meetings of the Management Committee and 4 meetings of the Audit and Risk Committee and our AGM.
- Scheduled 15 days of internal audit days in 2025/26 conducted by Wylie Bisset, reviewing the following subjects – overall financial controls, tenant health and safety obligations and reviewing action on previous recommendations.
- Reviewed and updated a range of policies.
- Commissioned an external review of data protection compliance.
- Reviewed the risk register.
- Carried out a further review of committee appraisals and are acting upon a continuous improvement plan and our approved succession planning policy.
- Submitted our returns timeously and accurately to the SHR, OSCR and the FCA with our ARC return for 2025/26 externally validated.

3. Delivery Plan Progress

- Completed a review of treasury management and future borrowing requirements with a tender for new borrowing issued on 1 April 2026.
- Completed works of cavity wall insulation and commenced a review of options for solar panels and battery storage.
- Carried out a review of tenants preferred methods of communication.
- Good progress on improving relationships with Connect Community Trust and the local community, including a Christmas Fun Day.
- Commissioned a tenant satisfaction survey with an increase in overall tenant satisfaction to 93.69%.
- Carried out a 30% stock conditions survey.
- Completed a significant programme of kitchen, bathroom and window replacements.
- Refocused the work of the Estate Wardens Team to environmental tasks.
- Introduced back bulk uplift, garden maintenance, and close cleaning services.

4. Performance

- Key performance indicators as reported in 2025/26 Annual Return on the Charter are set out below

KPI Brief Description	KPI Target	2025/26 Actual (ARC)
Rent Collected as % of total rent due for year	100.5%	102.6%
Gross Rent Arrears as % of rent due for year (Current & Former Tenants)	7.44%	6.67%
% of Void Rent Loss	0.35%	0.16%
Average time to relet a property	20 days	14.1 days
lettable houses that become vacant in year	4.00%	4.04%
Average time to complete emergency repairs	4 hours	3.9 hours
Average time to complete non emergency repairs	10 days	9.1 days
Reactive repairs carried out completed right first time	95%	100%
No of times where statutory obligation on gas not met	0	0

5. Financial Outturn

Turnover for 2025/26 was £4.5m, of which gross rental income of £3.9m (which increased by 3.3%) was the main element. Operating expenditure was £3.9m. Management costs including staffing costs were £1.5m, an increase of 6.8%. Repairs and maintenance costs were £1.2m, an increase of 13.2% Net interest was £0.2m resulting in a surplus for the year of £0.5m (£0.6m in 2024/25).

Tangible fixed assets (mainly the housing stock) amounted to £26.7m, down £0.4m from 2024-25 due to depreciation of £1.1m exceeding capital expenditure on component replacements of £0.7m. Net current assets were £2.5m compared to £2.7m in 2024/25. Within this cash, cash equivalents and current asset investments reduced from £3.8m to £3.5m in 2025/26. Loans decreased by £0.7m from £6.9m to £6.2m in 2025/26. Deferred grants reduced from £13.3m to £12.8m in 2025/26 due to amortisation..Overall net assets/capital and reserves increased from £10.2m to £10.7m in 2025/26.

6. Future Outlook

The Association has set out an ambitious plan for the next few years. Continuing to improve services and engagement with the community will be important as will the programme of investments in existing stock and plans to develop around 190 new build houses. Critical to this will be finalising the proposed new borrowing of £20m which will be progressed during 2026-27. Service delivery and performance, risk management, rent affordability and financial viability will also remain important considerations.

Management Committee and Executive Officers

The members of the Management Committee and the Executive Officers are listed on Page 1. Each member of the Management Committee holds one fully paid share of £1 in the Association with the exception of Co-optees to the Management Committee.

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

Statement of the Management Committee's Responsibilities

Housing Association legislation requires the Management Committee to prepare financial statements for each individual year which give a true and fair view of the state of affairs of the Association and of the income and expenditure of the Association for the year ended on that date. In preparing those financial statements the Management Committee is require 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 a going concern basis unless it is inappropriate to presume that the Association will continue in business; and
- 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 2010 and the Determination of Accounting Requirements.

The Management Committee is 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.

The Management Committee is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 of loss. Key elements of the Association's systems include ensuring that:

- 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 Wellhouse HA'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 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;
- the Management Committee completes an annual Assurance process and submits an Assurance Statement to the Scottish Housing Regulator and was satisfied as to the financial and governance standards of the Association; and
- 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 2026 and until the date these financial statements have been signed. No weaknesses were found in the internal financial control 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.

Donations

The Association has previously accounted for payments to deliver community services as a charitable donation. These payments are made in exchange for delivery of a package of community services rather than charitable donations and are accounted for in note 6 wider role activities. The amount paid in 2025-26 was £26,147 (*2025: £25,886*).

Auditor

The auditor, Azets Audit Services, have expressed their willingness to continue in office as auditor and will be proposed for reappointment at the Annual General Meeting.

Disclosure of information to the auditor

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

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

The Report of the Management Committee (incorporating the Strategic Report) has been approved by the Management Committee.

By order of the Management Committee



Diane Hendry

Secretary
Dated:
19th August 2026

WELLHOUSE HOUSING ASSOCIATION LIMITED

REPORT OF THE AUDITOR TO THE MANAGEMENT COMMITTEE OF WELLHOUSE HOUSING ASSOCIATION LIMITED ON INTERNAL FINANCIAL CONTROL FOR THE YEAR ENDED 31 MARCH 2026

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

Basis of Opinion

We carried out our review having regard to the requirements on corporate governance matters within Bulletin 2009/4 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reasons given for any non-compliance.

Opinion

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

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



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

Date: 1 September 2026

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

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

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements issued by the Scottish Housing Regulator.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Management Committee

As explained more fully in the Statement of the Management Committee's Responsibilities set out on page 6 the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

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

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

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

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

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

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

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

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members, as a body, for our audit work, for this report, or for the opinions we have formed.

[redacted]

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

Date: 1 September 2026

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

WELLHOUSE HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Notes		2026 £		*2025 £*
Turnover	4		**4,547,785**		*4,481,512*
Operating expenditure	4		**3,904,891**		*(3,640,744)*
Operating surplus	4		**642,894**		*840,768*
Interest receivable and other income	10	**87,773**		*76,307*	
Interest and financing costs	11	**(253,365)**		*(294,933)*	
			(165,592)		*(218,626)*
Surplus before tax			**477,302**		*622,142*
Taxation	12		**-**		-
Surplus for the year			**477,302**		*622,142*
Other comprehensive income Actuarial gain in respect of pension scheme	24		**21,000**		*23,000*
Total comprehensive income for the Year			**498,302**		*645,142*

The results for the year relate wholly to continuing activities.

The financial statements were approved by the Management Committee on 19 August 2026 and signed on their behalf by:

Maureen Morris **Chair**

[redacted]

David Gebbie **Vice-Chair**

[redacted]

Diane Hendry **Secretary**

[redacted]

The notes form part of these financial statements.

WELLHOUSE HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2026

	Share Capital £	Revenue Reserve £	Total Reserve £
Balance at 1 April 2025	*65*	*10,175,335*	*10,175,400*
Total comprehensive income for the year	-	498,302	498,302
Issue of shares	9	-	9
Cancellation of shares	(11)	-	(11)
Balance at 31 March 2026	63	10,673,637	10,673,700

STATEMENT OF CHANGES IN CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2025

	Share Capital £	*Revenue Reserve £*	*Total Reserve £*
Balance at 1 April 2024	*72*	*9,530,193*	*9,530,265*
Total comprehensive income for the year	*-*	*645,142*	*645,142*
Issue of shares	*2*	*-*	*2*
Cancellation of shares	*(9)*	*-*	*(9)*
Balance at 31 March 2025	*65*	*10,175,335*	*10,175,400*

The notes form part of these financial statements.

WELLHOUSE HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes		2026		*2025*
		£	£	£	£
Tangible fixed assets					
Housing properties – depreciated cost	13(a)		**25,492,643**		*25,884,533*
Other fixed assets	13(b)		**1,224,187**		*1,248,956*
			26,716,830		*27,133,489*
Current assets					
Debtors	15	**172,130**		*352,912*	
Cash and cash equivalents	16	**2,041,025**		*2,269,655*	
Current asset investments	17	**1,490,990**		*1,536,125*	
		3,704,145		*4,158,692*	
Creditors: amounts falling due within one year	18	**(1,231,638)**		*(1,485,890)*	
Net current assets			**2,472,507**		*2,672,802*
Total assets less current liabilities			**29,189,337**		*29,806,291*
Creditors: amounts falling due after more than one year	19		**(18,398,637)**		*(19,499,891)*
Pension defined benefit liability	24		**(117,000)**		*(131,000)*
Net assets			**10,673,700**		*10,175,400*
Capital and reserve					
Share capital	21		**63**		*65*
Revenue reserve	22		**10,673,637**		*10,175,335*
			10,673,700		*10,175,400*

The financial statements were approved by the Management Committee on 19 August 2026 and signed on their behalf by:

Maureen Morris **Chair**

[redacted]

David Gebbie **Vice-Chair**

[redacted]

Diane Hendry **Secretary**

[redacted]

The notes form part of these financial statements.

WELLHOUSE HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	£	2026 £	£	*2025 £*
Net cash generated from operating Activities	*27*		**1,328,394**		*1,599,844*
Cash flow from investing activities					
Purchase of components for housing properties		**(746,667)**		*(396,579)*	
Purchase of other fixed assets		**(3,804)**		*(6,894)*	
Investment in properties under construction		**(5,109)**		*(183,274)*	
Government Capital grants received		**4,446**		*151,683*	
Interest received		**87,773**		*76,307*	
Net Cash outflow from investing activities			**(663,361)**		*(358,757)*
Cash flow from Financing Activities					
Interest paid on loans		**(246,365)**		*(287,933)*	
Loan principal repayments		**(692,442)**		*(259,405)*	
Share capital issued		**9**		*2*	
SHAPs past service deficit payment (net of expenses)		**-**		-	
Investment in deposit accounts with notice periods >90 days		**45,135**		*(1,536,125)*	
Net cash outflow from financing			**(893,663)**		*(2,083,461)*
Net change in cash and cash equivalents			**(228,630)**		*(842,374)*
Cash and cash equivalents at 1 April	*16*		**2,269,655**		*3,112,029*
Cash and cash equivalents at 31 March	*16*		**2,041,025**		*2,269,655*

(i) Analysis of changes in net debt

	At 1 April 2025 £	Cash flows £	Other non-cash changes £	At 31 March 2026 £
Cash and cash equivalents				
Cash and cash equivalents	*2,269,655*	**(228,630)**	**-**	**2,041,025**
Investments	*1,536,125*	**(45,135)**	**-**	**1,490,990**
Borrowings				
Debt due within one year	*(259,404)*	**259,404**	**(141,021)**	**(141,021)**
Debt due after one year	*(6,648,944)*	**433,038**	**141,021**	**(6,074,885)**
	(6,908,348)	**692,442**	**-**	**(6,215,906)**
Total	*(3,102,568)*	**418,677**	**-**	**(2,683,891)**

The notes form part of these financial statements.

1. General information

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

The Association is a Co-operative and Community Benefit Society limited by shares and is incorporated in the United Kingdom. The Association is a registered social landlord in Scotland, and its registered number is HAC281. The registered office address is included on the front page of the financial statements.

The Association is defined as a public benefit entity and thus the Association complies with all disclosure requirements relating to public benefit entities.

The Association's Scottish Charity number is SC036552.

2. Principal accounting policies

Basis of accounting

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 UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and comply with Determination of Accounting Requirements as issued by the Scottish Housing Regulator and the Statement of Recommended Practice for Social Housing Providers issued in 2018.

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

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

The principal accounting policies are set out below.

Going concern

The Association has generated a healthy surplus in the year under review and is forecasting to continue to generate healthy surpluses in the future. The Association has healthy cash reserves and a strong net assets position with an ongoing investment program for replacing windows, doors, bathrooms and kitchens included within the long term forecasts. The Management Committee has therefore adopted the going concern basis in preparing the financial statements. This conclusion has been arrived at after considering the current inflationary pressures to the Association's operations and financial performance.

Turnover

Turnover represents rental and service charge income receivable, fees receivable and revenue grants receivable from the Scottish Government, Glasgow City Council and other agencies. Also included are any management fees for the factoring of properties for private owners. Also included is any income from first tranche shared equity disposals.

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

2. Principal accounting policies (cont'd)

Apportionment of management expenses

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

Government capital grants

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

Government revenue grants

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

Non-government capital and revenue grants

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

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

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

Interest receivable

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

Interest and financing costs

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

2. Principal accounting policies (cont'd)

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 13(a). Impairment reviews are carried out if events or circumstances indicate that the carrying value of the housing unit is higher than the recoverable amount or depreciated replacement cost.

Component	*Useful Economic Life*
Bathrooms	20 years
Kitchens	15 years
Boilers	15 years
Central Heating	30 years
Electrics	30 years
Attic Insulation	25 years
Windows	35 years
Close Doors	20 years
External Doors	20 years
Guttering	25 years
Rendering	50 years
Roofs	50 years
Structure	50 years

Depreciation and impairment of other fixed assets

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

Office Premises	2% -3$^{1}/_{3}$%
Office Furniture and Equipment	20%
Motor Vehicles	25%

The carrying value of tangible fixed assets is reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Capitalisation de-minimus

There is a de-minimus limit in place of £2,500 in respect of the capitalisation of other fixed assets.

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, a reduction in future maintenance costs or a significant extension of the life of the property. When a component is replaced the existing component is disposed, and the new component is capitalised.

Capitalisation of development overheads

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

2. Principal accounting policies (cont'd)

Development interest

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

Commercial properties

The commercial properties are carried at fair value determined by external valuers and derived from the current market rents and commercial property yields for comparable real estate, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

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.

Debtors

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

Rental arrears

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

Cash and cash equivalents

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

Creditors

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

Loans

Mortgage loans are advanced by financial institutions under the terms of individual mortgage deeds in respect of each property or housing scheme. Advances are available only in respect of those developments which have been given approval for Government Capital Grant by the Scottish Government or Glasgow City Council.

2. Principal accounting policies (cont'd)

Financial instruments

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

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

Financial assets are derecognised when contractual rights to the cash flows from the assets expire, or when the Association has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Retirement benefits

The Scottish Housing Association Defined Benefits Pension Scheme (Note 24)

The Association is a member of the Scottish Housing Associations' Pension Scheme (SHAPS) Defined Contribution Pension Scheme. The cost of the employer's contributions is charged to the Statement of Comprehensive Income on an accruals basis.

The Association closed the SHAPS Defined Benefits Pension Scheme in the year ended 31 March 2019 to future accrual. The retained retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the scheme. Payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

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

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

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

3. Judgements in applying policies and key sources of uncertainty

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

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

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

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

Estimate	Basis of estimation
Impairment of housing properties	The committee each year review the housing properties for any indication of impairments including in respect of any long-term voids or units earmarked for demolition.
The obligations under the SHAPS pension scheme	This has relied on the actuarial assumptions of qualified actuaries which have been reviewed and are considered reasonable and appropriate.

4. Particulars of turnover, operating expenditure and operating surplus

	Notes	Turnover £	Operating Expenditure £	2026 Operating surplus £	*Turnover £*	*Operating Expenditure £*	*2025 Operating surplus £*
Affordable lettings	5	**4,448,353**	**(3,842,877)**	**605,476**	*4,355,990*	*(3,561,052)*	*794,938*
Other activities	6	**99,432**	**(62,014)**	**37,418**	*125,522*	*(79,692)*	*45,830*
Total		**4,547,785**	**(3,904,891)**	**642,894**	*4,481,512*	*(3,640,744)*	*840,768*

5. Particulars of turnover and operating expenditure from social letting activities

	General Needs Housing £	2026 Total £	*2025 Total £*
Income from lettings			
Rent receivable net of identifiable service charges	**3,923,361**	**3,923,361**	*3,797,327*
Service charges receivable	**-**	**-**	*-*
Gross rents receivable	**3,923,361**	**3,923,361**	*3,797,327*
Less: Rent losses from voids	**(16,745)**	**(16,745)**	*(23,849)*
Net rents receivable	**3,906,616**	**3,906,616**	*3,773,478*
Release of deferred government capital grants	**509,414**	**509,414**	*520,558*
Other revenue grants	**32,323**	**32,323**	*61,954*
Total income from affordable letting activities	**4,448,353**	**4,448,353**	*4,355,990*
Expenditure on affordable letting activities			
Service costs	**-**	**-**	*-*
Management and maintenance administration costs	**1,528,908**	**1,528,908**	*1,431,301*
Reactive maintenance costs	**726,641**	**726,641**	*626,079*
Bad debts – rents and service charges	**(15,459)**	**(15,459)**	*(28,023)*
Planned and cyclical maintenance	**307,987**	**307,987**	*261,463*
Major repairs	**154,728**	**154,728**	*125,753*
Stage 3 repairs	**25,632**	**25,632**	*60,096*
Depreciation of social housing	**1,114,440**	**1,114,440**	*1,084,383*
Operating expenditure for affordable letting activities	**3,842,877**	**3,842,877**	*3,561,052*
Operating surplus on letting activities, 2026	**605,476**	**605,476**	
Operating surplus on letting activities, 2025	*794,938*		*794,938*

Included in depreciation of affordable housing is a loss of £59,915 (*2025: £108,704 gain)* in respect of the gain on disposal of components net of deferred grant.

There is no supporting housing accommodation or shared ownership accommodation.

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

	Grants from Scottish Ministers	Other revenue grants	Supporting People income	Other income	Total Turnover	Operating expenditure - bad debts	Other operating expenditure	2026 Operating surplus/ (deficit)	*2025 Operating surplus/ (deficit)*
	£	£	£	£	£	£	£	£	£
Wider role activities	-	-	-	**8,698**	**8,698**	-	**(25,396)**	**(16,698)**	*13,269*
Factoring	-	-	-	**25,749**	**25,749**	**(2,276)**	-	**23,473**	*24,395*
Development and construction of property activities	-	-	-	-	-	-	-	-	-
Agency / management services	-	-	-	-	-	-	-	-	-
Commercial properties rental income & hub income	-	-	-	**64,985**	**64,985**	-	**(470)**	**64,515**	*32,390*
Tenant participation costs	-	-	-	-	-	-	-	-	-
Re-chargeable repair bad debts	-	-	-	-	-	**(33,872)**	-	**(33,872)**	*(24,224)*
Other activities	-	-	-	-	-	-	-	-	-
Total from other activities 2026	**-**	**-**	**-**	**99,432**	**99,432**	**(36,148)**	**(25,866)**	**37,418**	
Total from other activities 2025	-	-	-	*125,522*	*125,522*	*(24,933)*	*(54,759)*		*45,830*

7. Directors' emoluments

The directors are defined as the members of the Management Committee, the Director and any other person reporting directly to the Director or the Management Committee. No emoluments were paid to any member of the Management Committee during the year *(2025: £nil)*. The Association considers key management personnel to be the Management Committee and the senior management team of the Association only.

	2026	*2025*
	£	*£*
Emoluments payable to the Director (excluding pension contributions)		
Previous director	**-**	*81,914*
Current director	**81,725**	*27,705*
	81,725	*109,619*
Pension contributions in respect of the Director		
Previous director		*8,180*
Current director	**8,172**	*2,771*
	8,172	*10,951*
Total emoluments paid to key management personnel	**227,618**	*232,126*
Employer NI in respect of key management personnel	**31,140**	*27,311*
Pension contributions payments in respect of key management personnel	**22,358**	*19,896*
	281,116	*279,333*

Key management personnel, consists of the Director, the Finance Manager, the Housing & Customer Services Manager and the Assets & Maintenance Manager.

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

	2026	*2025*
	Number	*Number*
£60,001 to £70,000	-	-
£80,001 to £90,000	1	1
£90,001 to £100,000	-	-

8. Employee information

	2026	*2025*
	Number	*Number*
The average number of full-time equivalent persons employed during the year was:	**18.3**	*18.9*
The average total number of employees employed during the year was	**18.9**	*19.8*

8. Employee information (cont'd)

Staff costs were:	2026 £	*2025 £*
Wages and salaries	**768,313**	*768,235*
Society security costs	**89,370**	*75,765*
Other pension costs	**80,378**	*77,907*
	938,061	*921,907*

Year ended 31 March 2026

During the year there were no payments in respect of the SHAPS past service deficit liability (2025 £nil). There were payments totalling £2,142 (2025: £1,926) in respect of pension management costs which have been included in the pension contributions total included in staff costs above.

9. Operating surplus

Surplus before tax is stated after charging:			2026 £	*2025 £*
Depreciation	-	Tangible Fixed Assets	**1,112,326**	*1,090,426*
	-	Loss on disposed components	**59,913**	*20,563*
Auditor's remuneration	-	Audit services (exc VAT)	**17,250**	*15,050*
	-	Other services (exc VAT)	**3,984**	*3,822*
Internal Auditor's fees (exc VAT)			**7,740**	*6,750*
Operating lease rentals – other			**14,700**	*12,870*

10. Interest receivable and other income

	2026 £	*2025 £*
Bank interest	**87,773**	*76,307*
	87,773	*76,307*

11. Interest and financing costs

	2026 £	*2025 £*
Defined benefit pension liability – interest charge (Note 24)	**7,000**	*7,000*
On bank loans and overdrafts	**246,365**	*287,933*
	253,365	*294,933*

12. Tax on surplus on ordinary activities

The Association is a Registered Scottish Charity and is not liable to United Kingdom Corporation Tax on its charitable activities (*2025: £nil)*. No tax is due on the Association's other activities due to the losses incurred (*2025: £nil tax due*).

13. Tangible fixed assets

(a) Housing properties	**Housing properties held for letting**	**Housing properties under construction**	**Total**
Cost	**£**	**£**	**£**
At 1 April 2025	**42,396,884**	**646,112**	**43,042,996**
Additions - properties	**-**	**5,109**	**5,109**
Additions - components	**746,667**	**-**	**746,667**
Disposals - properties	**-**	**-**	**-**
Disposals – components	**(273,681)**	**-**	**(273,681)**
Transfers	**51,188**	**(51,188)**	**-**
At 31 March 2026	**42,921,058**	**600,033**	**43,521,091**
Depreciation			
At 1 April 2025	**17,158,463**	**-**	**17,158,463**
Charge for year	**1,083,753**	**-**	**1,083,753**
On disposals – properties	**-**	**-**	**-**
On disposals - components	**(213,768)**	**-**	**(213,768)**
At 31 March 2026	**18,028,448**	**-**	**18,028,448**
Net Book Value			
At 31 March 2026	**24,892,610**	**600,033**	**25,492,643**
At 31 March 2025	*25,238,421*	*646,112*	*25,884,533*

Additions to housing properties include capitalised development administration costs of £nil (*2025: £nil*) and capitalised interest of £nil (*2025: £nil*).

Included in freehold housing properties is land with a historic cost allocation of £2,708,922 (*2025: £2,708,922*).

All land and properties are freehold.

13. Tangible fixed assets

(b) Other fixed assets	Commercial properties	Office premises (leasehold)	Office furniture & equipment	Total
Cost	**£**	**£**	**£**	**£**
As at 1 April 2025	**350,000**	**1,408,547**	**191,690**	**1,950,237**
Additions	**-**	**-**	**3,804**	**3,804**
Revaluations	**-**	**-**	**-**	**-**
Disposals	**-**	**-**	**-**	**-**
As at 31 March 2026	**350,000**	**1,408,547**	**195,494**	**1,954,041**
Aggregate Depreciation				
As at 1 April 2025	**-**	**516,485**	**184,796**	**701,281**
Charge for year	**-**	**26,606**	**1,967**	**28,573**
Depreciation on disposals	**-**	**-**	**-**	**-**
As at 31 March 2026	**-**	**543,091**	**186,763**	**729,854**
Net Book Value				
At 31 March 2026	**350,000**	**865,456**	**8,731**	**1,224,187**
At 31 March 2025	*350,000*	*892,062*	*6,894*	*1,248,956*

The commercial properties (4 shop units) were revalued by Jones Lang La Salle, Chartered Surveyors, at 25 July 2022 on a market value basis. The Management Committee consider this to be the fair value at 31 March 2026.

The office is built on land which is leased. The lease expires on 23 June 2063.

14. Housing stock

		2026	2025
		£	*£*
The number of units of accommodation in management at the year-end was:-			
General Needs	- New build	**342**	*342*
	- Rehabilitation	**452**	*452*
		794	*794*

15. Debtors

	2026	2025
	£	*£*
Arrears of rent and service charges	**246,853**	*325,828*
Less: Provision for doubtful debts	**(178,423)**	*(253,238)*
	68,430	*72,590*
Other debtors	**103,700**	*280,322*
	172,130	*352,912*

All amounts shown under debtors fall due for payment within one year.

16. Cash and cash equivalents	2026	*2025*
	£	*£*
Cash at bank and in hand	**1,718,988**	*1,760,138*
Cash equivalents (bank accounts with notice period less than 90 days)	**322,037**	*509,517*
Cash at bank and in hand	**2,041,025**	*2,269,655*

17. Current Asset Investments	2026	2025
	£	£
Cash balance held in bank accounts with notice period greater than 90 days	**1,490,990**	*1,536,125*

18. **Creditors:** amounts falling due within one year	2026	*2025*
	£	*£*
Bank loans (note 19)	**141,021**	*259,404*
Trade creditors	**228,367**	*344,863*
Rent in advance	**248,404**	*193,056*
Other taxation and social security	**-**	*16,976*
Other creditors	**11,910**	*80,841*
Accruals	**92,522**	*74,337*
Deferred capital grant (note 20)	**509,414**	*516,413*
	1,231,638	*1,485,890*

At the year-end other creditors included outstanding pension contributions of £nil (*2025: £11,090*).

19. Creditors: amounts falling due after more than one year

	2026 £	*2025 £*
Bank loans	**6,074,885**	*6,648,944*
Deferred capital grants (note 20)	**12,323,752**	*12,850,947*
	18,398,637	*19,499,891*

Bank loans are secured by specific charges on the Association's properties. Of the total housing stock of 794 units there are 546 units secured in relation to bank loans leaving 248 units unencumbered. The NBV of the secured units at the year-end was £12,306,849.

The loans are a mixture of one fixed rate loan with an interest rate of 2.71% and two variable rate loans with interest rates of 5.4% and 5.6% during the year.

These loans are repayable in instalments as follows:

	2026 £	*2025 £*
Amounts due within one year	**141,021**	*259,404*
Amounts due between one and two years	**4,615,855**	*259,404*
Amounts due between two and five years	**440,004**	*5,251,291*
Amounts due in more than five years	**1,019,026**	*1,138,249*
	6,215,906	*6,908,348*
Less: amount shown in current liabilities	**(141,021)**	*(259,404)*
	6,074,885	*6,648,944*

20. Deferred capital grants

	2026 £	*2025 £*
Balance at 1 April	**13,367,360**	*13,736,235*
Grants received in year	**4,446**	*151,683*
Released to income in year – Housing properties	**(515,112)**	*(497,030)*
Released to income in year – Other fixed assets (office)	**(23,528)**	*(23,528)*
Balance at 31 March	**12,833,166**	*13,367,360*
Split as follows:		
Amounts due within one year	**509,414**	*516,413*
Amounts due between one and two years	**509,414**	*520,558*
Amounts due between two and five years	**1,528,242**	*1,561,674*
Amounts due in more than five years	**10,286,096**	*10,768,715*
	12,833,166	*13,367,360*

21. Share capital

	2026	2025
	£	£
Shares of £1 each issued and fully paid		
At 1 April	**65**	*72*
Shares issued in year	**9**	*2*
Shares cancelled in year	**(11)**	*(9)*
At 31 March	**63**	*65*

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on 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. Called up share capital on the Statement of Financial Position has been adjusted to reflect the number of shares held by active members.

22. Revenue reserve

The revenue reserve is unrestricted and undesignated funds available for general use to further the Association's aims and objectives.

23. Related party transactions

Four committee members (*2025: four)* are tenants of the Association. Those members that 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. The total rent charged in the year relating to tenant Management Committee members is £19,607 (*2025: £19,598*). The total rent arrears relating to tenant Management Committee members is £98 (*2025: £88*). The total prepaid rent relating to tenant Management Committee members is £73 (*2025: £355)*. Expenses of £509 were reimbursed to Committee members (2025 - £985).

24. Retirement benefit obligations

General

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

- Final salary with a 1/60th accrual rate.
- Career average revalued earnings with a 1/60th accrual rate.
- Career average revalued earnings with a 1/70th accrual rate.
- Career average revalued earnings with a 1/80th accrual rate.
- Career average revalued earnings with a 1/120th accrual rate, contracted in.
- Defined Contribution (DC) option.

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. The DC option can be introduced by the employer on the first day of any month after giving a minimum of 3 months' notice. Wellhouse Housing Association Limited has elected to operate the Defined Contribution (DC) Scheme to all other staff.

Defined benefit scheme

The company participates in the Scottish Housing Associations' Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK. The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2024. This valuation revealed a deficit of £79.5m. A Recovery Plan was put in place to eliminate the deficit which runs to 31 March 2030.

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2025. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2026 to 28 February 2027 inclusive. The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

Final Salary with a 1/60th Accrual Rate Scheme
There was an annual employer past service deficit contribution of £nil (net of expenses) made in the year ended 31 March 2026 (*2025* - £*nil*).

As at the Statement of Financial Position date there are no active members (*2025: nil*) of the defined benefit scheme employed by Wellhouse Housing Association Limited. The last remaining member transferred to the defined contribution scheme during the year to 31 March 2019. Wellhouse Housing Association Limited no longer offers membership to the defined benefit scheme with all existing and new staff offered the defined contribution scheme.

24. Retirement benefit obligations (cont'd)

General (cont'd)

In accordance with FRS 102 section 28, the operating and financing costs of pension and post retirement schemes (determined by TPT) are recognised separately in the Statement of Comprehensive Income. Service costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise. The difference between actual and expected returns on assets during the year, including changes in the actuarial assumptions, is recognised in Other Comprehensive Income.

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

	31 March 2026 £'000	*31 March 2025 £'000*
Fair value of plan assets	**1,021**	*997*
Present value of defined benefit obligation	**(1,138)**	*(1,128)*
Defined benefit liability to be recognised	**(117)**	*(131)*

Reconciliation of opening and closing balances of the defined benefit obligation

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Defined benefit obligation at start of period	**(1,128)**	*(1,242)*
Current service cost		
Expenses	**(2)**	*(2)*
Interest expense	**(65)**	*(60)*
Actuarial gains/(losses) due to scheme experience	**14**	*(19)*
Actuarial gains/(losses) due to changes in demographic assumptions	**(11)**	
Actuarial gains due to changes in financial assumptions	**19**	*162*
Benefits paid and expenses	**35**	*33*
Defined benefit liability at the end of the period	**(1,138)**	*(1,128)*

24. Retirement benefit obligations (cont'd)

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

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Fair value of plan assets at start of the period	**997**	*1,095*
Interest income	**58**	*53*
Experience on plan assets (excluding amounts included in interest income) - gain	**(1)**	*(120)*
Contributions by the employer	**2**	*2*
Benefits paid and expenses	**(35)**	*(33)*
Fair value of plan assets at end of period	**1,021**	*997*

Defined benefit costs recognised in the Statement of Comprehensive Income

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Current service cost	**-**	*-*
Admin expenses	**2**	*2*
Net interest expense/(income)	**7**	*7*
Defined benefit costs recognised in Statement of Comprehensive Income	**9**	*9*

24. Retirement benefit obligations (cont'd)

Defined benefit costs recognised in Other Comprehensive Income

	Year ended 31 March 2026 £'000	*Year ended 31 March 2025 £'000*
Experience on plan assets (excluding amounts included in net interest cost) – (loss)/gain	**(1)**	*(120)*
Experience gains and losses arising on the plan liabilities – (loss)/gain	**14**	*(19)*
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation gain/(losses)	**(11)**	*-*
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	**19**	*162*
Total amount recognised in Other Comprehensive Income – actuarial gain/(loss)	**21**	*23*

Fund allocation for employer's calculated share of assets

	31 March 2026 £'000	*31 March 2025 £'000*
Absolute Return	**-**	*-*
Alternative Risk Premia	**-**	*-*
Cash	**-**	*5*
Corporate Bond Fund	**-**	*-*
Credit Relative Value	**-**	*-*
Currency Hedging	**-**	*2*
Distressed Opportunities	**-**	*-*
Emerging Markets Debt	**-**	*-*
Global Equity	**135**	*116*
High Yield	**-**	*-*
Infrastructure	**-**	*-*
Insurance-Linked Securities	**2**	*4*
Liability Driven Investment	**282**	*281*
Long Lease Property	**-**	*-*
Net Current Assets	**15**	*1*
Over 15 Year Gilts	**-**	*-*
Private Debt	**132**	*124*
Private Equity	**2**	*1*
Property	**53**	*49*
Risk Sharing	**-**	*-*
Secured Income	**14**	*23*
Liquid Credit	**-**	*-*
Liquid Alternatives	**195**	*184*
Real Assets	**101**	*119*
Credit	**47**	*42*
Investment Grade Credit	**43**	*46*
Opportunistic Credit	**-**	*-*
Opportunistic Illiquid Credit	**-**	*-*
Total Assets	**1,021**	*997*

24. Retirement benefit obligations (cont'd)

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

Assumptions as at	31 March 2026 % per annum
Discount rate	**6.14**
Inflation (RPI)	**3.29**
Inflation (CPI)	**3.03**
Salary growth	**4.03**
Allowance for commutation of pension for cash at retirement	**75% of maximum allowance**

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

	Life expectancy at age 65 (years)
Male retiring in 2026	**20.7**
Female retiring in 2026	**22.9**
Male retiring in 2045	**21.9**
Female retiring in 2045	**24.4**

Member data summary

Active members

	Number	Total earnings (£'000s p.a.)	Average age (unweighted)
Males	-	-	-
Females	-	-	-
Total			

Deferred members

	Number	Deferred pensions (£'000s p.a.)	Average age (unweighted)
Males	2	24	56
Females	5	17	50

Pensioners

	Number	Pensions (£'000s p.a.)	Average age (unweighted)
Males	3	23	69
Females	2	21	72

24. Retirement benefit obligations (cont'd)

Employers' debt on withdrawal

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

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

The Association has been notified by The Pensions Trust of the estimated debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2025. As of this date the estimated debt for the Association was £281,486.

Review of historic benefit changes

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

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

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

25. Capital commitments

	2026	2025
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements.	-	698,656
Approved but not contracted	-	-
		698,656
Funded by:		
Grants	-	-
Reserves	-	698,656
Private finance	-	-
	-	698,656

26. Commitments under operating leases

At the year end, the total future minimum payments under operating leases were due as follows:

	2026	2025
	£	£
Equipment:		
Not later than one year	**13,101**	3,470
Later than one year and not later than five years	**17,901**	3,936
More than five years	-	-
	31,002	7,406

27. Net cash flow from operating activities

	2026	2025
	£	£
Surplus for the year	**477,302**	622,142
Adjustments for non-cash items:		
Carrying amount of other fixed asset disposals	-	-
Depreciation of housing properties	**1,114,440**	1,084,383
Depreciation of other fixed assets	**28,573**	26,606
Decrease/(increase) in debtors	**180,782**	6,675
Increase/(decrease) in creditors	**(128,870)**	161,979
Release of deferred Government capital grant	**(509,414)**	(520,558)
Adjustments for investing and financing activities:		
Movement in fair value of investment properties		
Interest payable	**253,365**	294,933
Interest received	**(87,773)**	(76,307)
Forfeited share capital	**(11)**	(9)
Net cash generated from operating activities	**1,328,394**	1,599,844