

EMPOWER HOUSING ASSOCIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

EMPOWER HOUSING ASSOCIATION LIMITED

CONTENTS

	Page
Association Information	1
Report of the Directors	2 - 18
Directors' responsibilities statement	19
Independent auditor's report	20 - 22
Statement of comprehensive Income	23
Statement of Financial Position	24
Statement of changes in equity	25
Statement of cash flows	26
Notes to the financial statements	27 - 36

EMPOWER HOUSING ASSOCIATION LIMITED

ASSOCIATION INFORMATION

FOR THE YEAR ENDED 31 MARCH 2026

DIRECTORS:

Mark Ian Dunford (Chair)
Marcus David Evans (Vice Chair)
John Clark
Stephanie Murphy
Robert Paul Wakefield

SECRETARY:

Sara Sharrock

SENIOR MANAGEMENT:

CEO – Sara Sharrock
Director of Housing & Growth – Michelle Lee
Director of Housing & Operations – Dawn Astin
(from 1 April 2025 to 31 July 2025)

REGISTERED OFFICE:

33-35 Hollinshead Street
Chorley
Lancashire
PR7 1EP

REGISTRATION NUMBERS:

4663 - Regulator of Social Housing
9097 - Co-Operative and Community Benefit Society

SENIOR STATUTORY AUDITOR:

Christopher Hession C.A.

EXTERNAL AUDITORS:

BK Plus Audit Limited (formerly Abrams Ashton)
Statutory Auditor
Chartered Certified Accountants
41 St Thomas's Road
Chorley
Lancashire
PR7 1JE

INTERNAL AUDITORS:

TIAA Ltd
Artillery House
Fort Fareham
Newgate Lane
Fareham
PO14 1AH

PRINCIPAL BANKERS:

HSBC
49A Fishergate
Preston
Lancashire
PR1 8BH

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

The directors present their report with the financial statements of the company for the year ended 31 March 2026.

The company is classed as a Public Benefit Entity. The statements have been prepared in accordance with SORP 2018 and UK GAAP including FRS102.

LEGAL STATUS

Empower Housing Association Limited (Empower) converted to a Charitable Community Benefit Society (CBS) registered under the Co-operative and Community Benefit Societies Act 2014 on 1 July 2023 and is registered with the Financial Conduct Authority registered number 9097, and is a Registered Provider of social housing, registration no. 4663. Empower was previously a company limited by guarantee registered under the Companies Act 2006, company number 04874816.

PRINCIPAL ACTIVITY

The principal activity of Empower continues to be the management and maintenance of properties for the purpose of supported housing rentals.

REVIEW OF BUSINESS

Our financial performance for the period has exceeded budget expectations and is set out in the report that follows the Directors Report.

Empower Housing Association was established in 2003 and registered as a not-for-profit provider of social housing in 2011. Empower specialises in providing homes across England and Scotland for adults with disabilities, and being experts in this field allows us to focus on empowering our tenants to live as independently as possible. We pride ourselves in putting people at the heart of all we do.

We continue to operate in a challenging economic and operating environment that impacts Empower, the wider housing sector, our tenants, contractors, suppliers and colleagues. The sector remains subject to an increasingly demanding regulatory landscape, with housing providers continuing to embed the requirements of the Regulator of Social Housing's strengthened Consumer Standards and wider Regulatory Framework. These requirements place a strong emphasis on tenant safety, the quality of homes, transparency, accountability and meaningful tenant engagement.

Throughout the year, we have remained focused on ensuring the safety, quality and sustainability of our homes while delivering responsive, customer-focused services. We have continued to strengthen our assurance framework, monitor compliance against regulatory expectations and use tenant feedback to inform service improvements.

Our colleagues have continued to demonstrate commitment and professionalism, working closely with key partners to support our most vulnerable tenants and deliver the best possible outcomes for the communities we serve. Through these efforts, we remain committed to maintaining high standards of governance, compliance and service delivery, while ensuring that tenants remain at the heart of everything, we do.

We continue to adapt to changing times and develop how we work in line with our Corporate Plan. Our plan defines our Purpose, Values and Priorities across 3 key themes of our services, our homes and our business. Each of our priorities is underpinned by actions and measures to determine our progress and success. We introduced a new one-year Corporate Plan in May 2026 covering the year 2026/27 focussing on what matters most to our tenants-providing good quality homes and services, effective communication and being there to support tenants.

We have an action plan in place to monitor progress against our corporate plan which is reported to Board at least annually. During 2025/26 we have focused on:

- providing decent, safe homes and excellent services
- tenant engagement and feedback to shape and improve how we work
- improving our use of technology to support and inform how we work
- maintaining good governance and financial strength
- investing in our colleagues.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

Corporate Plan 2026 to 2027		
Our Purpose		
To provide specialised housing solutions that allow people to live independently, enabling their ability to thrive.		
Our Values		
We are Caring	We are Supportive	We are Inclusive
We care passionately about what we do and have the utmost respect for people and their abilities.	We work with our partners to find creative and innovative solutions to tenants' needs. We recognise the importance of our team and are committed to being an employer of choice.	We are instinctively honest and open. Our team are committed to the work we do and put the individual needs of our people at the heart of all we do.
Our Objectives and Priorities		
1. High Quality Services Providing a caring, high quality and efficient housing service		
Priorities: 1. Ensure we listen to our tenants, understand their needs and involve our tenants to help shape services. 2. Challenge the ways we work and strive to improve service quality and value for money. 3. Delivering high performing services		
2. Safe and Sustainable Homes Providing a safe and secure home for our tenants that delivers for the environment		
Priorities: 1. Investing in our homes to deliver a reduced carbon footprint. 2. Investing in our homes to deliver a reduced carbon footprint. 3. Developing new homes and ensuring we continue to provide homes for life.		
3. Healthy Business A well run, financially robust and compliant organisation that is a great place to work		
Priorities: 1. Financially resilient and well-governed to support future growth. 2. Provide a great place for people to work. 3. Be recognised as a leader in the provision of Supported Housing		

In 2026 Empower began merger discussions with Progress Housing Group, a registered provider of social housing. The proposals are intended to strengthen long-term sustainability and resilience for Empower's tenants -adults with learning disabilities- while preserving the locally grounded, tenant-centred services that underpin Empower's strong satisfaction performance. Both Empower and Progress have similar values and cultures, putting tenants and colleagues at the heart of all they do, Progress also has a substantial supported housing arm. No decision has been made about the merger, and we remain focused on delivering our corporate plan whilst discussions continue. If the merger goes ahead our commitment to providing excellent services and supporting our tenants will continue. Our tenants, colleagues and key partners have been updated on the merger discussions.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

During 2025/26, EHA experienced a higher number of lease disposals than in previous years. This increase arose primarily from a funder-led strategic portfolio review, which resulted in the termination of around 40% of existing lease arrangements. For English tenancies stock transferred to a new landlord who is also a registered provider of social housing, a small number of Scottish tenancies transferred to a private landlord.

The increased disposal activity does not reflect a change in EHA's operational strategy or approach to service delivery. Despite these disposals, EHA remains committed to maintaining a high-quality housing service and continuing to provide safe, secure accommodation for its tenants and has restructured its operations to take account of the change and continue to grow.

The sector has seen significant change during the year particularly the introduction of Awaabs Law in October 2025 requiring social landlords to investigate and fix serious hazards within strict legal timeframes, including damp mould and condensation, EHA have introduced new systems, processes and training in line with these changes. During the year we have continued the in depth reviews of our rent and lease processes and improved and automated the tenant rent increase process. The rent increase review was concluded in August 2026 and an update provided to the RSH, the lease review is ongoing.

We continue to review repairs, development and lettings processes to ensure we are getting the basics right in delivering services to our tenants and that we are doing this effectively.

We completed and reported on Regulatory tenant satisfaction measures (TSM) which are used as a metric to assess how well social landlords in England and Wales are doing at providing quality homes and services. Small RP's are required to publish their TSM's at least every 2 years and providers with over 1,000 units are required to submit their results to the Regulator.

Our housing team visit our tenants several times a year and our maintenance team carry out annual inspection visits, helping to ensure our tenants are safe and secure in their homes. During the year we acquired a further 18 bedspaces and at the end of March 2026 we provided homes for 296 tenants, 34 of which live in properties owned by Empower. Each year transactional surveys are carried out for key service areas, tenants' views and feedback are obtained during house visits and phone contact and tenants have been involved in service reviews during the year.

The consumer standards are summarised below:

The Safety and Quality Standard: focuses on ensuring that landlords understand the condition of all of their homes and make use of that data to provide safe, quality homes. Landlords are required to deliver repairs, maintenance and planned improvements in an effective, efficient and timely manner, and must be clear on their health and safety responsibilities.

The Transparency, Influence, and Accountability Standard: requires landlords to be transparent with tenants, treat them fairly and respectfully so they can access services. Tenants must be able to voice concerns where necessary, influence decisions, and hold the landlord accountable.

The Neighbourhood and Community Standard: Landlords need to engage with relevant parties to ensure tenants live in secure, well-maintained neighbourhoods and feel safe in their homes.

The Tenancy Standard: outlines a fair allocation and letting of homes, as well as requirements for managing tenancies by landlords.

Empower continues to report compliance with the Housing Ombudsman Service (HOS) Complaint Handling Code which became statutory in April 2024, meaning that landlords are obliged by law to follow its requirements. RP's are required to publish compliance with the code and submit this to the HOS along with an annual Complaints and Service Improvement report including Board statement/ response to the report. Empower are reporting full compliance with the Code. The Code aims to achieve best practice in complaint handling and ultimately to provide a better service to tenants.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

CUSTOMER SERVICE AND TENANT INVOLVEMENT

Empower is committed to providing excellent customer service in all that we do. We work with our partners and tenants to find creative and innovative solutions to meet our tenants needs now and in the future. We provide an out of hours call service which is managed by our colleagues and ensures we are accessible 24/7/365, our properties are maintained by our inhouse maintenance team and our external partner contractors.

We continue to work with our tenants, advocates and care providers to review and improve our services. Visiting our properties regularly allows us to maintain a personal approach, gather information on our services and obtain quality feedback and input from our tenants, and gives us the opportunity to inspect the condition of our properties. During the year we let 35 bedspaces (24/25 22).

Working with tenants during the year we have reviewed our DMC Policy ahead of Awaab's Law and worked together on what a good repair service looks like, and what matters to tenants. Our tenant feedback from this engagement and how we have used this information is detailed within our tenant newsletters, sent to all tenants and available on our website. Our focus when involving tenants is on understanding what matters to tenants, how we can encourage tenant involvement in a way that suits them and enables them to influence how we deliver services. Understanding the needs of our tenants is crucial and continues to remain a priority through the collection of census information through our All About You survey, we have also improved tenant data collection at sign up.

BUILDING SAFETY / PROPERTY CONDITION

This year we have continued to focus on property safety and condition and have maintained our programme of surveying properties to ensure they meet the required standards. Performance in key areas of compliance including Gas, Fire, Electric, Asbestos, Water and Lift Safety Checks, Specialist Lifting Equipment and PAT Testing have all been maintained at 100% (24/25: 100%).

Damp, Mould and Condensation (DMC) continues to be a key priority for EHA. In line with the requirements of Awaab's Law, all reports of damp and mould and hazards are risk assessed on receipt, with emergency hazards investigated and made safe within 24 hours where an immediate risk to health and safety is identified. Significant damp and mould & hazards are inspected within 10 working days, with findings provided to tenants and remedial works commenced within the statutory timescales. EHA also reviews DMC after 3 months.

All relevant colleagues have received Damp, Mould and Condensation & hazards awareness training and are equipped to identify, report and respond to issues appropriately. Where specialist expertise is required, suitably qualified contractors are engaged to investigate root causes and undertake remedial works.

We maintain regular oversight of all open damp and mould & hazard cases to ensure works are completed promptly and to help prevent recurrence. Through this proactive approach, EHA continues to support tenant wellbeing and maintain safe, healthy and well-maintained homes.

Empower carried out a programme of stock condition surveys and HHSRS reviews across 100% of properties during 2024/25, the surveys will be updated on a rolling programme from 2026/27. This information has informed our future planned works programme and identified areas where more immediate work is required. As at March 26 and to date 100% of homes meet the Decent Homes Standard. Information about the types and age of properties that we own and manage are detailed within our Asset Management Strategy which is on our website.

OUR COLLEAGUES

Recognising that our colleagues are our most valuable asset we have worked closely with colleagues during the year reviewing how we work and where we can improve to ensure we are an employer of choice, this has included listening to and involving colleagues, supporting colleague development, training and wellbeing. Communication with colleagues has been particularly important as we have navigated change around the termination of the property portfolio and merger discussions. Overall colleague satisfaction from surveys in May 2025, was 83% (23/24: 88%).

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

FINANCIAL OVERVIEW

Turnover has increased by 3.4% during the year mainly as a result of handback of properties due to lease terminations as noted within this report. Our average rent levels, including service charges, in 2025/26 were £355 (24/25 £377). We spent £1.2M (24/25: £1.3M) on repairs and renewals at our properties, this includes component replacements in leased properties that are expensed via the income statement, and capital investment in owned properties. Investments as part of our planned maintenance programme included replacement bathrooms, kitchens, boilers, doors and external painting and fencing at a cost of £346k (24/25 £325k). Costs have increased due to increasing inflation and interest payable has reduced due to delayed loan drawdown and changes in Bank of England base rates, resulting in an overall surplus of £709k (24/25: £716k).

TREASURY MANAGEMENT

A new £1m facility with Unity Bank was fully drawn in July 2025 the loan was put in place to facilitate growth and the acquisition of new homes, a further loan of £855k is fully drawn. 74% of the Association's owned housing properties were charged as loan security. The March 2026 business plan does not require any additional funding post loan repayments in 2036. Empower complied with all financial covenants during the year. Two loans were fixed during the year resulting in 53% of loans being fixed, policy minimum of 50%.

At the year end, Empower held cash balances totalling £3.91m (24/25: £2.27m). Of the £3.91m cash balances, £102.5k is held in respect of sinking funds (24/25: £369k) with a matching equivalent sinking fund creditor held within Other Creditors on the Balance Sheet.

The reserves at 31 March 2026 totalled £5.90m (24/25: £5.19m). The financial business plan results in surpluses each year which are re-invested in existing homes, services and planned new developments with some provision for contingencies. The Board is satisfied that the reserves at 31 March 2026 are at a level that is appropriate for the business.

Empower reviewed its Treasury Management policy and Strategy in May 2026 to ensure the stability of the long-term financial position. Two new deposit accounts were put in place during the year to optimise returns while spreading counterparty risk.

FUTURE DEVELOPMENTS

During 2025/26, Empower continued to achieve modest growth through existing partnerships and the acquisition of its own properties. All new developments have been delivered to a minimum EPC C standard, supporting our commitment to providing energy-efficient homes and improving environmental sustainability. At March 26 65% of properties were at EPC C or above.

Throughout the year, we have strengthened our procedures and internal controls, adopting a "right first time" approach across our services. We have continued to make effective use of our resources and technology, enhanced data integrity, and maintained a strong focus on regulatory and legal compliance.

Our customers remain at the heart of everything we do, reflecting the priorities set out in our Corporate Plan and the expectations arising from the Consumer Regulation framework. We have continued to develop tenant involvement and engagement, ensuring tenants have opportunities to influence the services they receive.

In the latter part of the year, significant progress was made in undertaking due diligence for a potential merger with Progress Housing Group, with detailed reviews undertaken to assess strategic fit, governance, operational alignment, and opportunities to strengthen services and outcomes for tenants in the future.

COMPLIANCE WITH REGULATORY STANDARDS, CODE OF GOVERNANCE AND CODE OF CONDUCT

Empower has adopted the National Housing Federation's (NHF) Code of Governance (2020) and Code of Conduct (2022). An assessment of compliance with these 2 Codes is undertaken annually, the Board confirms that Empower is compliant. The Board has also assessed compliance with the Governance and Financial Viability Standard of the Regulator of Social Housing and confirms that the organisation broadly complies with the exception of a known instance of non-compliance, which has been acknowledged by the relevant parties including the Regulator of Social Housing. An action plan has been approved by Board with agreed steps in place to move to a position of full compliance.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

DIRECTORS

The directors shown below have held office during the whole of the period from 1st April 2025 to the date of this report.

Mark Ian Dunford
Marcus David Evans
John Clark
Stephanie Murphy
Robert Paul Wakefield

GOVERNANCE ARRANGEMENTS

The Empower Board, detailed on page 1, is responsible for the strategic direction of the organisation and ensuring the achievement of the organisation's vision and the objectives set out in the Corporate Plan. To do this, the Board establishes the organisation's overall policy and strategy and monitors compliance with its values and performance targets within a clearly defined framework of delegation and system of control.

In line with the NHF Code of Governance 2020, additional guidance for smaller organisations Board reviewed its structure and concluded that at the current time sub committees of the Board are not required. The Board has significant recent and relevant financial, governance and risk management experience ensuring a good understanding of current best practice and requirements and obtains assurance on key functions particularly audit & control, governance & risk and finance. During the year an external Board Governance Effectiveness Review was completed, and the overall finding was that effective governance was in place. The Board reviewed its composition and succession plan during the year. This will be reviewed annually.

All Board members have completed a thorough induction process and are subject to annual appraisal / review in line with the Governance Framework. The skills and knowledge of members include the areas of finance, VFM, risk, strategic management, governance & Regulation, organisational development, equality, diversity and inclusion, and development. A number of members have direct lived experience of specialist supported housing, helping to ensure that the Board is in a strong position to make informed and appropriate decisions for the organisation which always consider the impact on tenants and their best interests in a challenging operating environment. The Board regularly reviews its composition, for those members who have provided information: 80% of Board Members are male, 20% are female; 60% of Board Members are under the age of 55; all Board members are White British; 60% of Board members have a physical or mental health condition or illness expected to last 12 months or more; and 60% of Board members have caring responsibilities.

During 2025/26, the Board met on 5 planned occasions including a formal Strategic Away Day to discuss the strategic direction of the organisation and key business risks. Additional meetings took place as required and Board also considered reports outside of the planned reporting cycle.

Board members are supportive of the organisation - this is reflected through involvement in discussion and decision making and good attendance, average 88% attendance at Board meetings during 2025/26 (24/25: 92%).

Operational management is delegated to the Senior Management Team who meet weekly and attend Board Meetings. The Senior Management Team (detailed on Page 1) have no financial interest in Empower.

Insurance policies are in place that indemnify Board members and the Senior Management Team and Officers against liability when acting on its behalf.

HEALTH AND SAFETY (H&S)

The Board is aware of its responsibilities on all matters relating to health and safety. H&S consultants are retained to review health and safety management across all colleague functions, this includes comprehensive health and safety policies, procedures, risk assessments, training and advice. Our property, development and compliance team manage all building safety and compliance, supported by external expertise where required. The H&S responsible person is the Property and Compliance Manager.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

EQUALITY, DIVERSITY AND INCLUSION

Empower has an Equality, Diversity and Inclusion Policy which is fundamental to our core values. During the year we have been working towards meeting the key objectives of our EDI policy, one of which is to better understand the composition of our tenants, colleagues and Board for each of the protected characteristics, and aim to reflect the communities we serve, provide accessible services and consider the needs of future tenants. This data was collected during the year from tenants, colleagues and Board members considering 8 protected characteristics (contained in the Equality Act 2010), and requested additional data regarding caring responsibilities, Overall diversity across all 3 groups was broadly similar in the following areas – gender, ethnicity, sexual orientation, religion.

- This information will be used to ensure that we are providing fair and equitable services.

We will continue working with tenants to ensure we have the relevant information about their needs enabling us to tailor and continually improve our services.

VALUE FOR MONEY (VFM)

We reviewed our Value for Money Strategy and action plan in 2024 and Procurement & Contracts Policy in 2026 to ensure that we are using our resources effectively, providing excellent services delivering efficiencies where possible and compliant with the Procurement Act 2023. In 2025/26 cashable savings of £38k were generated by using Find My Tender to offer contracts to a wider range of contractors, reviewing works completed in house and negotiation on contracts.

VFM METRICS

The RSH value for money standard and code of practice outlines seven key financial metrics to be measured and reported against each year along with comparisons against our peer's performance. The table below shows our budget & actual performance for 2024/25 and 2025/26, and our March 2027 business plan targets for the next 5 years. It should be noted that the calculations below are based on the Regulators definition and may differ to our financial loan covenants.

VALUE FOR MONEY METRICS - SUMMARY	peer group *	EMPOWER								
	2024/25	2024/25	2024/25	2025/26	2025/26	2026/27	2027/28	2028/29	2028/29	2029/30
	median	budget	actual	budget	actual	budget	forecast	forecast	forecast	forecast
Metric 1 - Reinvestment %	5.1%	10.4%	12.8%	22.7%	15.6%	15.7%	18.2%	15.9%	13.9%	12.6%
Metric 2A) - New supply delivered % (Social housing units)	0.0%	2.2%	2.5%	2.5%	6.1%	14.9%	12.3%	6.8%	6.4%	2.6%
Metric 2B) - New supply delivered % (Non-social housing units)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Metric 3 - Gearing %	-0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Metric 4 - EBITDA-MRI %	305%	731%	1387%	547%	978%	466%	547%	699%	873%	1089%
Metric 5 - Headline social housing cost per unit	£15,707	£16,750	£17,102	£18,026	£17,825	£19,268	£18,895	£20,208	£20,496	£21,241
Metric 6A) Operating Margin % (social housing lettings only)	7.8%	7.4%	9.2%	5.8%	9.6%	5.7%	7.1%	7.5%	8.1%	9.4%
Metric 6B) Operating Margin % (overall)	5.0%	7.8%	9.2%	6.3%	9.6%	5.7%	7.1%	7.5%	8.1%	9.4%
Metric 7 Return on Capital Employed	3.7%	9.1%	12.6%	7.8%	10.1%	5.2%	6.8%	7.9%	8.6%	9.8%

*The Association has benchmarked performance taken from the RSH Global Accounts VFM Metrics benchmarking tool 24/25, noting that this information is recorded for organisations with >1000 units. The criteria selected was for organisations with >50% supported housing (excl. housing for older people) with less than 4000 units. Results were available for 11 organisations of between 19 and 3454 units, headline social housing costs per unit ranged from £10,211 to £39,530, the median results are reported for the peer group. Performance for 25/26 v budget is highlighted below and compared to the peer group information for 24/25:

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

Metric 1 - % reinvestment - investment in properties (existing stock and new supply) as a percentage of the net book value of total properties held.

For Empower this relates to new supply and investments in owned properties. Investment into leased properties is expensed. This figure is behind budget for 25/26 due to fewer properties being delivered than planned, but is above the peer group.

Metric 2A - % new supply delivered (social) as a proportion of total social properties owned.

The metric relating to new social housing units shows we are performing slightly above budget and above the peer group median during 25/26.

Metric 2B - % new supply delivered (non-social) as a proportion of total social properties owned.

We have no plans to deliver non-social units.

Metric 3 - Gearing, debt as a proportion of the net book value of total properties held.

Our cash balances are greater than total debt and therefore gearing produces a negative figure and is therefore recorded as zero. A lower gearing ratio is healthy. It is difficult to draw comparisons to the peer median, but our results are well within the covenant limits expected of traditional loan covenants.

Metric 4 - % EBITDA - MRI, earnings before interest, tax, depreciation and amortisation including major repair improvement measured against interest costs. This is an indicator of our operating surplus in comparison to interest paid. This metric is positive and better than budget and peer group.

Metric 5 - Headline social housing cost per unit

This metric is higher than the peer group median and slightly lower than budget mainly due to property repairs costs, although the peer group headline cost per unit figures vary from £10,211 to £39,530. As most of our properties are leased c. 60% of our costs are payments to leaseholders in line with agreements.

Metric 6A and 6B - Operating margin (profitability of social housing activities and overall).

This metric was ahead of budget in 25/26 mainly due to colleague vacancies, reduced lease & property costs due to fewer new developments. Performance is better than peer group.

Metric 7 - Return on capital employed, operating surplus to total assets less current liabilities.

Operating surplus in 25/26 was ahead of budget, which impacts on this metric. Performance is ahead of the peer group.

EMPOWER HOUSING ASSOCIATION LIMITED

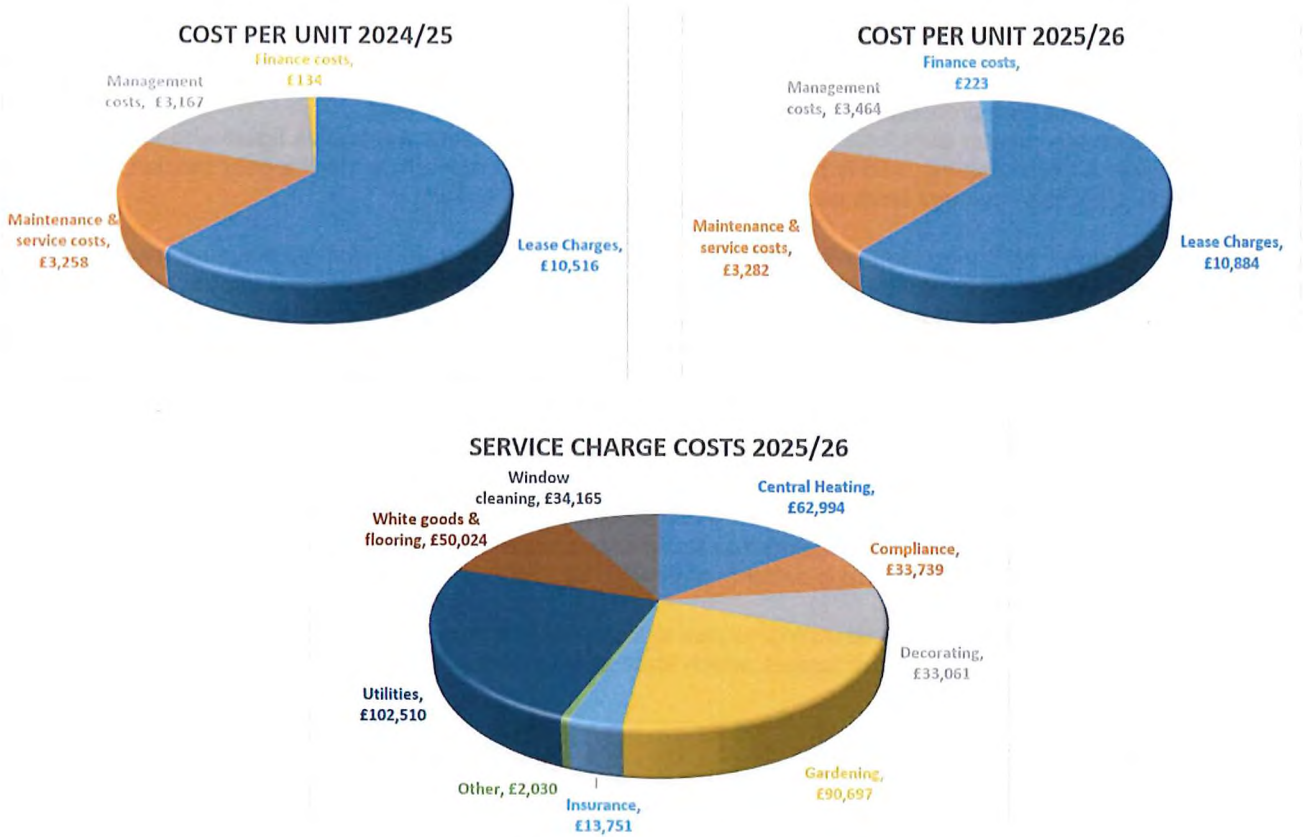
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

HOW WE SPEND OUR MONEY

The VFM Metrics tables above show the headline social housing cost per unit benchmarked against peers. Our overall cost per unit also includes the cost of lease payments at over £10k per unit, as over 90% of EHA properties are leased. It is acknowledged that the cost per unit for supported housing providers is considerably greater than for general needs as recognised in the report from the Regulator of Social Housing, this is due to the specialist nature of the services provided by Empower and specialist social housing providers.

The charts below show our average cost per unit. This shows above inflationary increases during 2025/26 for management, maintenance and service charge costs and increased investment in properties. Lease costs have increased as expected as they are linked to inflationary increases.



EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

OPERATIONAL AND HEALTH & SAFETY PERFORMANCE

The Board consider operational and health and safety KPI's at each meeting. Some of our key performance indicators for 2025/26 are noted below along with targets for 2026/27. Further performance is reported in the Tenant Satisfaction Measures section in this report.

Operational KPI's	24/25 Target	24/25 Actual	25/26 Target	25/26 Actual	26/27 Target
No of Properties	207	206	217	131	178
No of Bedspaces	441	441	470	296	348
% of bedspaces tenanted	88%	90.82%	91%	90%	91%
No of Disposals	4	2	4	163	4
Rent Collected as % of total rent due for year	100%	99.97%	100%	89.60%	100%
Current Tenants Arrears % of rent due for year	5%	6.2%	4.75%	2.64%	5.5%
% of Total Void Rent Loss	8%	7.72%	8%	6.83%	6.5%
Void Arrears (new target 25/26)	n/a	n/a	6.5%	0.89%	1%
Number of court actions which resulted in eviction	0	0	0	0	0
No of compliments received	2 per month	25	2 per month	48	2 per month
% of employees happy to work at EHA	90%	88%	90%	83%	83%
Colleague Sickness	5%	5%	4%	2.59%	4%
Accidents – number of Riddor reportable accidents	0	0	0	0	0
% of properties with a valid Electrical Certificate	100%	100%	100%	100%	100%
No of properties with ongoing Damp Mould & Condensation (DMC) works	0	9	0	8	0

During the year, four tenants were decanted to alternative accommodation to facilitate bathroom, and kitchen improvement works as part of our planned investment programme. These improvements supported our commitment to maintaining safe, high-quality homes and enhancing the living environment for tenants. Each move was carefully planned in collaboration with tenants, support providers and contractors to minimise disruption and ensure that tenants remained informed and supported throughout the process.

We have highlighted below where performance hasn't met targets and how we plan to address this:

NO OF PROPERTIES / BEDSPACES / PROPERTY DISPOSALS

During 2025/26, EHA experienced a significantly higher number of lease disposals than in previous years. This increase was primarily driven by a funder-led decision to terminate a substantial number of existing leases. As a result, EHA transferred these properties to another RP / private landlord (Scottish properties) resulting in number of properties, bedspaces and disposals not meeting KPI targets. New developments are included within the 2026/27 business plan.

RENT COLLECTED

Rent collection for 2025/26 was below target, primarily due to delays in processing Housing Benefit claims and requests for additional information following rent increases. The Housing teams maintain a focused recovery plan through regular case reviews and continued engagement with Housing Benefit teams, commissioners and support providers.

DAMP MOULD AND CONDENSATION

EHA sets strict targets of zero properties with ongoing DMC, this target was not met, all properties are reviewed after 3 months, and further works actioned as required.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

COMPLAINTS / ASB

During 2025/26 we received 3 Stage 1 and 1 Stage 2 complaints, (equating to 10 stage 1 and 3 stage 2 per 1,000 homes) mainly related to communication, contractor management, and ensuring appropriate consideration of tenants' individual needs., these are detailed in the table below. The feedback we receive from our tenants allows us to learn from experiences where things may have gone wrong and make amendments and improvements to our working practices to ensure they don't happen again. This learning continues to be a key focus for us and is reported to Board each quarter. All complaints have been dealt with in the agreed timescales. No complaints have been referred to the Housing Ombudsman Service.

	Number of complaints refused	Total number of complaints	Theme of complaints	Complaint Stage		
				Stage 1	Stage 2	Ombudsman
Contractor Conduct	0	1	Contractor Failure to adhere to timescales & poor communication Defects by contractor caused by lack of attention Unsafe storage of contractor tools	1	0	0
Process Failure	0	1	Tenant Health and Safety risk, where responsibility of Care Provider in line with SLA.	1	0	0
Behaviour	0	1	Tenant Aggressive behaviour towards own care staff.	1	0	0
Adaptation*	0	1*	Adaptation Work was poorly executed and communication was inconsistent*	0	1*	0
Total 25/26	0	4		3	1	0

*Escalated from a stage 1 complaint in 2024/25

We have identified key areas of learning and areas for service improvement from complaints received during 25/26 which will ensure we continue to improve services to tenants as a result of their feedback including:

- o Improved communications with tenants, advocates, care providers, contractors and within EHA
- o Increased monitoring of contractor performance
- o Clarification of care provider responsibilities in line with service level agreement
- o Improved support provided to Care Providers's when dealing with any neighbour concerns
- o Working with tenants and care teams to ensure the fabric of buildings are fit for purpose in relation to tenant needs and behaviour

We share learning from complaints and how that learning is resulting in service improvements through:

- o Tenant newsletters
- o Our website
- o Colleague team meetings / quarterly colleague bulletins and colleague training
- o Direct engagement with tenants through home visits and the establishment of specific engagement/feedback sessions and transactional surveys

We have completed the annual self-assessment of EHAs complaint handling demonstrating compliance with the Complaint Handling Code and giving assurance to Board that EHA continues to provide an accessible and positive complaint handling process overall for tenants. This document along with our Annual Complaints and Service Improvement Report, including the Board statement, and further detail around key learning from complaints and service improvements has been published on our website <https://empowerhousing.org.uk/comments-and-complaints/>

Compensation of £1,025 was paid to tenants in respect of complaints arising from a roof repair issue at a property where we failed to complete timely repairs.

2 Anti-social Behaviour cases were reported during 25/26 (7 per 1,000 homes) with 4 ongoing cases. A key focus has been improving understanding of tenant individual needs and improved communication with tenants, care providers and advocates

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

COMPLIMENTS

48 compliments were received during the year 25/26, almost double the number received in 24/25 with many continuing to express satisfaction with our maintenance and housing teams and the standard of work and engagement with tenants when attending properties and generally going above and beyond expectations when handling enquiries and visiting tenants in their homes.

PROPERTY COMPLIANCE

Our tenants continue to be at the forefront of our business and ensuring their safety is essential. Throughout the year we have continued to focus on property safety to ensure all relevant compliance was up to date and recorded appropriately, compliance across all areas was 100% in line with target. All of our properties continue to meet the Decent Homes Standard. There are a number of properties with ongoing DMC issues, we are working closely with our tenants, care providers and contractors to resolve these issues.

TENANT SATISFACTION MEASURES (TSM)

Our Tenant Satisfaction Perception Measures, noted below, were last collected in 23/24 and in line with policy have been collected in 25/26. Tenant Satisfaction Management Information is collected monthly and published annually and is reported in the table below for 2025/26.

Results are very positive – highlights include

- 92% overall satisfaction
- 84% satisfaction with repairs
- 87% satisfaction that landlord listens to tenants and acts on their views
- 97% satisfaction that landlord treats tenants fairly and with respect
- 100% compliance with all property H&S areas,
- Excellent repairs performance, 98% emergency (slightly below target) and 96% non-emergency

Empower Tenant Satisfaction Measures		April 25 to March 26			24/25
TSM Ref	Tenant Perception Measure	EHA Target	EHA Responses	Variance 25/26 v's 23/24	Bench-marking Median Score *
TP01	Overall Satisfaction	95%	92%	↓ 2%	72%
TP02	Satisfaction with Repairs	88%	84%	↓ 3%	74%
TP03	Satisfaction with time taken to complete most recent repair	85%	87%	↑ 9%	70%
TP04	Satisfaction that the home is well maintained	85%	91%	↑ 10%	72%
TP05	Satisfaction that the home is safe	95%	97%	↑ 8%	78%
TP06	Satisfaction that the landlord listens to tenants' views and acts upon them	88%	87%	↑ 2%	62%
TP07	Satisfaction that the landlord keeps tenants informed about things that matter to them	90%	86%	↓ 2%	72%
TP08	Agreement that the landlord treats tenants fairly and with respect	95%	97%	↑ 4%	78%
TP09	Satisfaction with the landlord's approach to handling complaints	70%	64%	↑ 31%	36%
TP10	Satisfaction that the landlord keeps communal areas clean and well maintained	85%	87%	↑ 8%	67%
TP11	Satisfaction that the landlord makes a positive contribution to neighbourhoods	80%	81%	↑ 17%	65%
TP12	Satisfaction with the landlord's approach to handling anti-social behaviour	80%	77%	↑ 14%	60%

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

		Management Information			
BS01	Gas Safety Checks	100%	100%	-	
BS02	Fire Safety Checks	100%	100%	-	
BS03	Asbestos Safety Checks	100%	100%	-	
BS04	Water Safety Checks	100%	100%	-	
BS05	Lift Safety Checks	100%	100%	-	
CH01 (1)	Complaints relative to the size of the landlord - per 1000 homes - Stage 1	0	10	↓ 8	
CH01 (2)	Complaints relative to the size of the landlord - per 1000 homes - Stage 2	0	3	↑ 3	
CH02 (1)	Complaints responded to within Complaint Handling Code timescales - Stage 1	100%	100%	-	
CH01 (2)	Complaints responded to within Complaint Handling Code timescales - Stage 2	100%	100%	-	
NM01 (1)	Anti-social behaviour cases relative to the size of the landlord - per 1,000 homes	0	7	↓ 21	
NM01 (2)	Anti-social behaviour cases relative to the size of the landlord (involving hate incidents)- per 1,000 homes	0	0	-	
RP01	Homes that DO NOT meet the Decent Homes Standard	0	0	-	
RP02 (1)	Repairs completed within target timescale - Emergency	100%	98%	↓ 1%	
RP02 (2)	Repairs completed within target timescale - non-emergency	93%	96%	↑ 3%	

* <https://www.gov.uk/government/statistics/tenant-satisfaction-measures-202425>

This GOV.UK page publishes the official Tenant Satisfaction Measures (TSMs) 2024/25 statistics, analysing how tenants of large social housing landlords in England rated services such as repairs, safety, complaint handling and overall satisfaction, based on nearly half a million tenant surveys collected for regulatory oversight by the Regulator of Social Housing

In addition to the TSM survey we also carried out transactional surveys for several of our key services during 25/26, including repairs and compliance visits, new lettings and property visits, satisfaction levels mirror the results of the TSM survey.

Our tenant satisfaction measures, our approach to the survey and the results are published on our website <https://empowerhousing.org.uk/tenant-satisfaction-measures/>

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

INTERNAL CONTROLS ASSURANCE AND RISK MANAGEMENT

The Board has ultimate responsibility for establishing and maintaining an effective system of internal control and risk management framework that is appropriate to the business environment in which it operates, and for annually reviewing its effectiveness.

The system of internal control is designed to manage rather than eliminate risk of failure to achieve key business objectives and expected outcomes and provide reasonable but not absolute assurance against material misstatement or loss.

The Board has reviewed the effectiveness of the system of internal control. In particular it has reviewed and updated the risk appetite during the year. The Board reviews the strategic risks as part of this framework at least every quarter and more frequently if the risk profile changes, all risks including key concerns and controls are reviewed by the Board at least annually. Risk based stress testing of the financial business plan and review of risk mitigations also forms part of the internal control's assurance. An annual review of the Regulators Sector Risk Profile compared to Empowers risks is reported to Board.

An internal review identified areas for improvement in the control systems relating to tenant rent increases and lease reviews. An action plan was put in place to address these issues. New systems and processes were implemented during the year and the management of these 2 key areas moved within the finance team. The internal auditors TIAA carried out an audit of rent increases in August 25 which has reported 2 routine recommendations and substantial assurance.

In addition policies, procedures and training have been put in place during the year relating to data protection and information security. Enhanced IT security and Cyber protection & monitoring has also been implemented / enhanced.

The Senior Management Team are responsible for the identification and evaluation of key risks applicable to their areas of business and working closely with operational managers in the design and operation of suitable internal controls. The Chief Executive reports to the Board on significant changes in the business and the external environment, which affect key risks.

Financial control is carried out via annual budget planning feeding into the long-term financial business plan, coupled with regular detailed monitoring reports to management and the Board, and delegated authority levels to ensure appropriate expenditure control.

Key performance indicators (KPIs), both financial and non-financial, are reported to management and the Board. These KPIs are used to inform discussions at Management Team meetings and are used to help drive improvements to the internal control framework.

Empower has implemented a 3-year programme of internal audits which is discussed and approved by Board on an annual basis in line with new and emerging risks and delivered by an outsourced internal audit partner. Agreed recommendations for improvements are implemented by management and progress on recommendations is monitored by the Board and reviewed by the internal audit partner, TIAA.

The internal auditors report directly to the Board and annually express an opinion, to give the Board assurance based on the reviews carried out on the organisation's framework of governance, risk management and control. Based on the work undertaken during the year TIAA reported that they were satisfied that, for the areas reviewed during the year, Empower Housing Association has reasonable and effective risk management, control and governance processes in place.

The external auditor's management letter, which is required to report any material weaknesses in internal controls identified during their audit work, notes that no significant matters arose which the auditor considers should be brought to Boards attention.

Empower has Fraud and Corruption and Whistleblowing policies in place. There have been no reported actual frauds or whistleblowing events during the period.

Annual forward agendas for Board are approved by Board to ensure that they have key information providing Board with the necessary assurance to ensure their governance, business planning, risk management and control framework is effective.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

The Board have reviewed the effectiveness of the system of internal control, including risk management, for the year to 31 March 2026, and up to the date of signing these financial statements, based on the assurances provided by the key elements of the system of internal control, opinions of internal audit, and external audit, and other assurance sources and the work that has taken place to address the areas identified for improvement, it has not identified any weaknesses which have resulted in material misstatement or loss which would require disclosure in the financial statements.

RISK MANAGEMENT

Our risk management policy and risk appetite (reviewed by the Board in March 2025 and May 26), is in place to identify, evaluate and manage the significant risks faced by Empower, arising from our corporate priorities, wider Sector Risks and the economic operating environment. The key risks currently facing Empower include:

Risk Area	Key factors / concerns	Mitigations
Charging the correct rents	Ensure correct rents are charged at rent review and correct payment to leaseholder– data quality. Ensure meet market rent test – market rent levels outside our control. Assess support needs for changes at each PRC HB refuse rent changes	Rent compliance and setting policies in place & reported to Board annually. Rent review processes reviewed and training provided to team. Calculation on rent and lease increases moved to finance team. TIAA audit of rent increase process Aug 25. Thorough review of tenant rent increases completed and reported to Board August 2026. Review of lease rent increases is ongoing.
Asset management - failure to meet H&S, DHS & property compliance	Appropriate investment to meet changing legislation, Increased repair cost & availability of contractors – geographical spread Data quality and compliance monitoring/action Out of date SCS, high disposal / dilapidation costs	Dedicated property and compliance teams, review DMC & hazards in line with Awaab's Law Business plan includes stock condition programme Regular reporting of performance Asset management strategy updated 2024 External review SCS 2024 SCS & HHSRS review all properties 24/25, new programme 2627
Repairs & maintenance meet standards within agreed resources	Fail to deliver right first-time quality service Increasing costs Increased demand Tenant satisfaction	Regular monitoring & reporting In house team some cost mitigation & quality Tender works /review lease responsibilities 24/25 Regular feedback and contact with tenants, care providers and families. Tenant engagement exercise 2026 Collection tenant characteristics & data 25/26. Transactional surveys introduced 2023.
Health and safety obligations as a landlord, employer, developer and provider of support services (including safeguarding)	Ensure awareness, regular review, compliance with legislation & reporting / assurance to Board. Risk of harm to colleagues, partners, tenants	H&S advisor appointed Jan 23. H&S Policy approved Mar 26, Regular training, assessments, monitoring & reporting in place, tenancy & property flags in place. Care provider retains principal risk, EHA colleagues safeguarding training. Lone working devices issued 2024. PI insurance in place.

EMPOWER HOUSING ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

Risk Area	Key factors / concerns	Mitigations
Data security /GDPR / cybercrime	Data breach/unauthorised access, impact on individual, data control and retention Financial loss, risk to data/systems. Cyber risk of attack Increased remote working	Move away from paper records DPO in place, Data protection training for all, Review of policies and systems commenced 2024/25 and completed 2025/26. Data protection audit March 2026 provided reasonable assurance. Data breach register implemented with nothing to report in 2025/26 EU GDPR qualification achieved by Data Protection Officer Jan 26 Segregation of duties. IT services outsourced, Cyber security in place 2024. Cyber audit by TIAA 2024. Cyber insurance in place
Data integrity	One version of the truth. Manual data report parameters	Data streamlined from various sources, checks & balances built into reports. Training on housing mgt system & reporting undertaken. Ongoing review of systems & processes
Unforeseen external changes - political/ economic/ageing population/ environmental/ legislation	Economic – escalating inflation /political, availability of goods Social Housing Regulation Act, Supported Housing (Regulatory Oversight) Act – pressure on HB Renters Reform. Competence & Conduct Std, STAIRS	Monitor & report to Board on national policy, external environment, impact on customers, stress test on business plan, review mitigation strategies, business strategy, managers access to HRS risk updates, NHF updates, working with contractors and suppliers.
Tenant involvement and engagement	Obtaining tenant/advocate feedback ability of tenants to engage directly or be involved. Reduced satisfaction / feedback. Compliance with Standard	Enhanced engagement as part of PRC. Updated Tenant Engagement Strategy & Action plan Mar 25, tenants involved in development of Service Standards Oct24 and DMC June 25 Collection tenant characteristics & data 2526. Feedback from TSM and transactional surveys
Governance - culture, strategic direction, Board & mgt fail	Robust Governance. Board & mgt team skills. Not setting strategic direction, failure to ensure balanced culture	Governance framework, annual reporting plan including compliance, IA and EA. experienced Board recruited, skills assessment, appraisals, training. Mgt training, cost focus, data driven, responsible & accountable.
Compliance with Regulatory standards	Ensure practices embedded and compliance maintained, regular review of Standards / processes and identify issues.	Regular review of processes and reporting to Board.. Training for colleagues. Annual compliance review & report. Internal audit programme linked to key risks. Dialogue with RSH.
Resilient long-term plan. Liquidity / refinancing risk/counterparty failure	Adequately funded long term plan, Increasing cost of funds and margins, availability of funds/timely refinancing	Relationship with funders – refinancing 2025. Treasury Policy & strategy in place. Updated stress test on business plan, reviewed mitigation strategies. External treasury /BP advisor
Colleague retention / recruitment & skilled colleagues	Concentrated knowledge / small team. Difficulty recruiting to sector with required skills / experience. Ensure flexibility to recruit/retain.	Learning & development policy in place 2024. Management / leadership development 2024. Salary benchmarking 2025. Review professionalism qualification in line with SH Regulation changes. Review T&C's,2025 remote working policy in place. Recruit SH experience. Colleague empowerment, away days, training, open & inclusive culture

EMPOWER HOUSING ASSOCIATION LIMITED

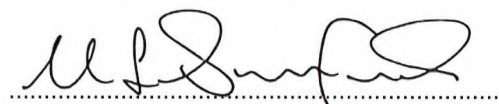
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2026

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'M. Dunford', written over a dotted line.

Mark Ian Dunford – Director and Chair

16th September 2026

EMPOWER HOUSING ASSOCIATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, and are in accordance with FRS 102, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EMPOWER HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EMPOWER HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Empower Housing Association Limited (the 'company') for the year ended 31 March 2026 which comprise of the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 company's affairs as at 31 March 2026 and of its surplus 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, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022..

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 company 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 directors' 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 company'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 directors 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 directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors have been prepared in accordance with applicable legal requirements.

EMPOWER HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EMPOWER HOUSING ASSOCIATION LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

From the preliminary of the audit, we ensure our understanding of the entity is up to date. This includes, but is not limited to, current knowledge of their activities, the business and control environments, and their compliance with the applicable legal and regulatory frameworks. This information supports our risk identification and the subsequent design of audit procedures to mitigate those risks; ensuring that the audit evidence obtained is sufficient and appropriate to support our opinion.

In response to the risks identified, specific to this entity, we designed procedures which included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance, if available;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

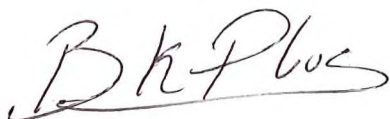
EMPOWER HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EMPOWER HOUSING ASSOCIATION LIMITED (CONTINUED)

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 20214. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Hession C.A. (Senior Statutory Auditor)

For and on behalf of bk plus Audit Limited, Statutory Auditor
Chartered Certified Accountants
Azzurri House
Walsall Business Park
Aldridge
WS9 0RB

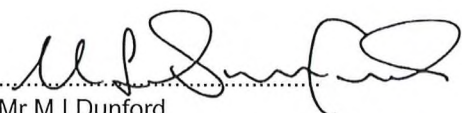
Date: 16/09/26

EMPOWER HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2025 £
Turnover	3	8,015,136	8,301,411
Administrative expenses		(7,247,489)	(7,542,069)
Other operating income		5,632	-
Operating surplus	4	773,279	759,342
Interest receivable and similar income	8	24,189	13,791
Interest payable and similar expenses	9	(88,829)	(57,495)
Surplus before taxation		708,639	715,638
Tax on surplus		-	-
Surplus for the year		708,639	715,638
Other comprehensive income		-	-
Total comprehensive income for the year		708,639	715,638



Mr M I Dunford
Director and Chair



Mr M D Evans
Director and Vice Chair



Sara Sharrock
Secretary

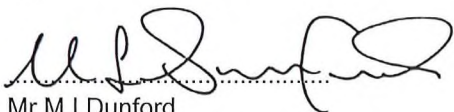
EMPOWER HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

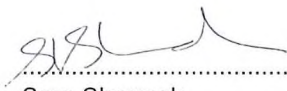
AS AT 31 MARCH 2026

	Notes	2026 £	£	2025 £	£
Fixed assets					
Tangible assets	12		3,790,750		3,745,605
Current assets					
Debtors	13	447,079		676,748	
Cash at bank and in hand		3,913,203		2,266,605	
		4,360,282		2,943,353	
Creditors: amounts falling due within one year	14	(459,410)		(662,205)	
Net current assets			3,900,872		2,281,148
Total assets less current liabilities			7,691,622		6,026,753
Creditors: amounts falling due after more than one year	15		(1,793,051)		(836,821)
Net assets			5,898,571		5,189,932
Capital and reserves					
Called up share capital	18		5		5
Income and expenditure account			5,898,566		5,189,927
Total equity			5,898,571		5,189,932

The financial statements were approved by the board of directors and authorised for issue on 16/04/26 and are signed on its behalf by:


 Mr M I Dunford
 Director and Chair


 Mr M D Evans
 Director and Vice Chair


 Sara Sharrock
 Secretary

EMPOWER HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2024	5	4,474,289	4,474,294
Year ended 31 March 2025: Total comprehensive income	-	715,638	715,638
Balance at 31 March 2025	5	5,189,927	5,189,932
Year ended 31 March 2026: Total comprehensive income	-	708,639	708,639
Balance at 31 March 2026	5	5,898,566	5,898,571

EMPOWER HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	£	2025 £	£
Cash flows from operating activities					
Cash generated from operations	23	858,291		657,619	
Interest paid		(88,829)		(57,495)	
Income taxes refunded		-		108,888	
Net cash inflow from operating activities		769,462		709,012	
Investing activities					
Purchase of tangible fixed assets		(122,088)		(487,974)	
Interest received		24,189		13,791	
Net cash used in investing activities		(97,899)		(474,183)	
Financing activities					
Repayment of bank loans		975,035		(16,683)	
Net cash generated from/(used in) financing activities		975,035		(16,683)	
Net increase in cash and cash equivalents		1,646,598		218,146	
Cash and cash equivalents at beginning of year		2,266,605		2,048,459	
Cash and cash equivalents at end of year		3,913,203		2,266,605	

The notes on pages 27 to 36 form part of these financial statements.

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Statutory Information

Empower Housing Association Limited is a Community Benefit Society registered under the Co-Operative and Community Benefit Societies Act 2014. The organisation is also a registered provider with the Regulator of Social Housing. The organisation's registered numbers and registered office address can be found on the Company Information page.

The company is a public benefit entity.

1 Accounting Policies

1.1 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018, the Accounting Direction for Private Registered Providers of Social Housing 2022, and the Co-Operative and Community Benefit Societies Act 2014.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Income represents rental and service charges (net of rent and service charge losses from voids) and other income. Income is recognised at the point which the company has fulfilled its contractual obligations to the customer. Income is recognised net of VAT, where applicable.

Expenses include VAT where applicable if the company cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold and freehold property	Component accounting-see below
Property improvements	Component accounting- see below
Equipment, fixtures and fittings	20% reducing balance
Motor vehicles	25% reducing balance

Land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

Depreciation of housing properties

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

Structure - 90 years

Kitchens - 15 years

Bathroom - 15 years

Boiler - 15 years

Central heating - 30 years

Disabled adaptations - 10 years

Windows - 36 years

Roof (flat) - 20 years

Roof (pitched) - 70 years

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

As lessee

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease's asset are consumed.

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Management carries out an impairment assessment for each of its properties on a periodic basis. This assessment considers any specific factors in relation to each property, as well as a consideration of the market value of similar properties. Where an indication of impairment is identified, the affected property is impaired to an estimated recoverable value. The directors have considered the company's properties in light of FRS102 and do not consider that any properties meet the definition of an investment property as all are used in the company's trading activities; therefore, all properties are recognised in the financial statements at historical cost less accumulated depreciation, and less any impairment losses where applicable.

3 Turnover and other revenue

	2026 £	2025 £
Turnover analysed by class of business		
Gross rents receivable	7,920,035	8,208,298
Service charges receivable	95,101	93,113
	<u>8,015,136</u>	<u>8,301,411</u>
	2026 £	2025 £
Other revenue		
Interest income	<u>24,189</u>	<u>13,791</u>

4 Operating surplus

	2026 £	2025 £
Operating surplus for the year is stated after charging:		
Depreciation of tangible fixed assets	76,943	67,657
(Surplus)/deficit on disposal of tangible fixed assets	-	1,922
Operating lease charges	4,425,369	4,637,633
Auditor's remuneration for non-audit services	<u>7,920</u>	<u>9,780</u>

5 Auditor's remuneration

	2026 £	2025 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	<u>13,800</u>	<u>13,200</u>

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

6 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Management	2	3
Development	1	1
Housing management	4	4
Maintenance & compliance	8	8
Administration	1	2
Finance	3	2
Total	19	20

Their aggregate remuneration comprised:

	2026 £	2025 £
Wages and salaries	759,074	900,663
Social security costs	98,746	83,812
Pension costs	39,307	36,127
	897,127	1,020,602

The emoluments paid to the highest paid executive, excluding pension contributions, were £119,993 (2025: £117,008).

The number of staff who received remuneration (including employer pension contributions) greater than £60,000 was as follows:

	2026 No.	2025 No.
£90,001 to £100,000	1	1
£120,001 to £130,000	1	1
	2	2

During the year, a total of key management personnel (board members and executive team) compensation of £269,706 (2025: £305,050) was paid.

The executive team are ordinary members of the company pension scheme, and no special or enhanced terms apply to their pension contributions. The company does not make any further contribution to an individual pension arrangement for key management personnel.

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

7 Board Members remuneration

	2026 £	2025 £
Remuneration for qualifying services	18,730	17,000

Remuneration for the highest paid board member was £4,407 (2025: £4,000).

No expenses were paid to any board member in the current or prior year.

8 Interest receivable and similar income

	2026 £	2025 £
Interest income		
Interest on bank deposits	24,189	13,791

	2026 £	2025 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through surplus or deficit	24,189	13,791

9 Interest payable and similar expenses

	2026 £	2025 £
Interest on financial liabilities measured at amortised cost		
Interest on bank overdrafts and loans	88,829	57,495

10 Taxation

Empower Housing Association Limited was granted charitable status for corporation tax by HMRC following its conversion to a Community Benefit Society. As a result, it is exempt from corporation tax on its income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

Owing to the organisation having this charitable status and the specific activities it has conducted, no corporation tax provision is applicable in respect of the financial year ended 31 March 2026.

11 Accommodation in management and development

During the year, the number of general needs housing units provided was 131 (2025: 206).

As at 31 March 2026, Empower Housing Association Limited provided 296 bed spaces (2025: 441).

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

12 Tangible fixed assets

	Leasehold and freehold property £	Property improvements £	Equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2025	4,192,597	1,850	64,809	131,959	4,391,215
Additions	113,547	-	8,541	-	122,088
Disposals	(4,800)	-	-	-	(4,800)
At 31 March 2026	4,301,344	1,850	73,350	131,959	4,508,503
Depreciation and impairment					
At 1 April 2025	521,700	540	30,949	92,421	645,610
Depreciation charged in the year	58,621	37	8,400	9,885	76,943
Eliminated in respect of disposals	(4,800)	-	-	-	(4,800)
At 31 March 2026	575,521	577	39,349	102,306	717,753
Carrying amount					
At 31 March 2026	3,725,823	1,273	34,001	29,653	3,790,750
At 31 March 2025	3,670,897	1,310	33,860	39,538	3,745,605

The directors consider there to be no significant change in property valuations in this financial year which would result in an impairment loss being recognised.

13 Debtors

	2026 £	2025 £
Amounts falling due within one year:		
Trade debtors	16,027	4,203
Other debtors	414,676	631,676
Prepayments and accrued income	16,376	40,869
	447,079	676,748

14 Creditors: amounts falling due within one year

	Notes	2026 £	2025 £
Bank loans	16	37,783	18,978
Trade creditors		92,934	198,680
Taxation and social security		32,506	29,554
Other creditors		138,225	378,434
Accruals and deferred income		157,962	36,559
		459,410	662,205

EMPOWER HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

15 Creditors: amounts falling due after more than one year

	Notes	2026 £	2025 £
Bank loans and overdrafts	16	1,793,051	836,821

16 Loans and overdrafts

	2026 £	2025 £
Bank loans	1,830,834	855,799
Payable within one year	37,783	18,978
Payable after one year	1,793,051	836,821

The long-term bank loan is secured by a fixed and floating charge over the properties of the company.

The rate of interest payable on the loan is 1.70% above the Bank of England base rate.

The bank loan is repayable by instalments and the amount of instalments due in more than 5 years is £1,656,237 (2025: £752,510).

17 Operating lease commitments

As lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2026 £	2025 £
Within 1 year	154,930	3,326,494
Years 2-5	1,229,915	10,419,416
After 5 years	7,786,992	16,249,025
	9,171,837	29,994,935

At the reporting date the company had contracted with tenants for the following minimum lease payments:

	2026 £	2025 £
Future amounts receivable under operating leases:		
Within 1 year	319,512	5,831,356
Years 2-5	1,640,054	18,375,263
After 5 years	14,085,739	28,259,128
	16,045,305	52,465,747

EMPOWER HOUSING ASSOCIATION LIMITED

DETAILED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

18 Share capital

	2026 Number	2025 Number	2026 £	2025 £
Ordinary share capital Issued and fully paid 5 of £1 each	5	5	5	5

19 Reserves

	Income and expenditure account £
At 1 April 2025	5,189,927
Surplus for the year	708,639
At 31 March 2026	5,898,566

20 Related party disclosures

The company retains a register of Board members' interest. During the year there were no interests in related parties that are required to be declared.

The company considers the key management personnel to be the Board and the Executive Team. Disclosures in relation to key management personnel are included in note 7.

21 Retirement benefit schemes

	2026 £	2025 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	39,307	36,127

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22 Members liability

Empower Housing Association Limited is a Community Benefit Society registered under the Co-Operative and Community Benefit Societies Act 2014. Each member holds a £1 share which was issued on Empower's registration as a Community Benefit Society, and is fully paid. The shares are not transferable or redeemable. The shares provide members with the right to vote at general meetings but do not provide any rights to dividends or distributions. Each member's liability is limited to £1 on a winding up of the society.

EMPOWER HOUSING ASSOCIATION LIMITED

DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

23 Cash generated from operations

	2026 £	2025 £
Surplus after taxation	708,639	715,638
Adjustments for:		
Finance costs	88,829	57,495
Investment income	(24,189)	(13,791)
(Gain)/loss on disposal of tangible fixed assets	-	1,922
Depreciation and impairment of tangible fixed assets	76,943	67,657
Movements in working capital:		
Decrease/(increase) in debtors	229,669	(176,329)
(Decrease)/increase in creditors	(221,600)	5,027
Cash generated from operations	858,291	657,619

24 Cash and Cash Equivalents

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2026

	1 April 2025 £	31 March 2026 £
Cash at bank and in hand	2,266,605	3,913,203

Year ended 31 March 2025

	1 April 2024 £	31 March 2025 £
Cash at bank and in hand	2,048,459	2,266,605

25 Analysis of changes in net funds

	1 April 2025 £	Cash flows £	31 March 2026 £
Cash at bank and in hand	2,266,605	1,646,598	3,913,203
Borrowings excluding overdrafts	(855,799)	(975,035)	(1,830,834)
	1,410,806	671,563	2,082,369