

ANNUAL **ACCOUNTS** 2024-25



Putting people
at the heart of
everything we do





Empowering People Inspiring Communities Limited
Annual Report & Financial Statements
For the year ended 31 March 2025

Charity Number: 1118644

Company Number: 3333405

Regulator of Social Housing Number: L4167

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Board of Trustees, Executive Officers, Company Information

The social housing sector continues to come under scrutiny and face significant reputational and financial challenges. The economic environment is still creating challenges for organisations and tenants alike.

EPIC continues to gain momentum and strength across all its activities and successfully regained its Governance G1 rating with the Regulator of Social Housing's Regulatory Judgement in July 2025. This, along with the accompanying Consumer C1 and Viability V2 rating shows just how far EPIC has come in recent years. Through our culture of continuous improvement, we will continue to focus on the gains we have made and look towards the future with positivity and ambition for the organisation, colleagues, tenants and communities.

Despite financial constraints, we have made substantial investment in tenants' homes to meet the quality and building safety commitments required; and we continue to increase our financial capacity to do more over future years. We have worked hard to increase the information we hold on tenants' homes to be able to adapt our services according to specific needs. We are committed in our proactive approach to dealing with damp and mould ensuring tenants' health and safety at all times and homes that are warm and well-maintained.

The Social Housing Regulation Act places a strong focus on the quality of social housing and services provided to tenants and EPIC has been pro-active in ensuring that we are both compliant with the Act but also pragmatic in what we can achieve and enhancing services where possible.

Our Corporate Plan, "Community, connecting, and collaboration" (2024-27) articulates our commitment to working together with tenants and the wider communities. The Plan moves EPIC forward beyond regulatory compliance to truly understanding and meeting the needs and aspirations of tenants. We want them to feel safe in their homes and the wider community and recognise that we are an organisation that truly wants to listen to understand their needs.

We have made significant progress on the way in which we do business, through increasing the capacity and capability of our colleagues to meet the needs of tenants and also the work we have done in ensuring that our technologies support the services to tenants and do not expose EPIC to any potential security threat.

Our organisation continues to be well governed, endorsed by the recent Regulatory Judgement. We expect the organisation to go from strength to strength, delivering even better services to tenants and working alongside others in the community.



Simon Wilson
Chair of the Board
18 September 2025



Tracey Johnson
Chief Executive Officer
18 September 2025

Board of Trustees, Executive Officers, Company Information

Board Trustee		Date Joined/ Resigned	Other Committee Membership	Meeting Attendance		
				Attended No.	Total No.	% Attendance
Simon Wilson	B Chair	Apr 23	GRC	6(B)/3(G)	9	100%
Rob Emery	MRC	May 20	n/a	6(B)	6	100%
Nick Leggett		Mar 20	ARAC/GRC	5(B)/3(A)/3(G)	12	92%
Rachel Challinor		Oct 21	GRC	6(B)/3(G)	9	100%
Amandeep Jhawar		Nov 21	ARAC	5(B)/2(A)	9	78%
Dave Newmarch		Oct 21	n/a	5(B)	6	83%
Colin Small		Nov 21/Sept 24	ARAC	3(B)/2(A)	5	100%
Margaret Dodwell	A Chair	Apr 23	ARAC	5(B)/3(A)	9	89%
Alun Bragg		Apr 23	ARAC	6(B)/3(A)	9	100%
Jonathan Moore	G Chair	Apr 23	GRC	5(B)/3(G)	9	89%
Rob Morton		Feb 24	ARAC	5(B)/3(A)	9	89%

Key:

<i>B</i>	<i>Board Meeting</i>
<i>B Chair</i>	<i>Board of Trustee Chair</i>
<i>ARAC</i>	<i>Audit and Risk Assurance Committee</i>
<i>A Chair</i>	<i>Audit and Risk Assurance Committee (ARAC) Chair</i>
<i>A</i>	<i>Audit and Risk Assurance Committee Meeting</i>
<i>GRC</i>	<i>Governance and Remuneration Committee</i>
<i>G Chair</i>	<i>Governance and Remuneration Committee (GRC) Chair</i>
<i>G</i>	<i>Governance and Remuneration Committee Meeting</i>
<i>MRC</i>	<i>Member responsible for Complaints</i>

Board of Trustees, Executive Officers, Company Information

Executive Officers		
Chief Executive	T Johnson	
Director of Housing	C Gleghorn	
Director of Asset Management & Building Compliance	J Parkes	
Changes		
Director of Corporate Services	D Glass	In post to 05.08.24
Head of Business Support Services	K Heath	In post to 05.08.24
Director of Resources	S Shaw	Appointed 05.08.24

Company Information	
Registered Office	131-141 Ubberley Road, Bentilee, Stoke on Trent, Staffordshire, ST2 0EF
Company Secretary	S Shaw
Company No.	3333405
Charity No.	1118644
Regulator of Social Housing Registration No.	L4167
Auditor	Beever and Struthers, The Beehive Lions Drive, Shadsworth Business Park, Blackburn, BB1 2QS
Bank	The Co-operative Bank plc, Birmingham Commercial Banking Centre, 118-120 Colmore Row, Birmingham, B3 3BA
Key lender	Triodos Bank, Deanery Road, Bristol, BS1 5AS

Report of the Board

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

Principal activities

Empowering People Inspiring Communities (EPIC) is a charitable registered provider of social housing and is governed by a Board of Trustees consisting of 10 trustees. We are a community-based housing association managing 1,375 homes across Bentilee, Hanley and Meir areas of Stoke-on-Trent. The vast majority of our homes are for social housing residents, as well as a small number (26) of leasehold properties. Full details of the stock and tenure is shown in Notes 3 and 4 of these financial statements.

Board and governance

The Board of Trustees are remunerated for their service. Board payment was introduced in April 2023 and is due for review in April 2026 as part of a three-year review cycle. Details of the payments made to the trustees can be found in note 7. The Board comprises of a minimum of 5 and a maximum of 12 trustees (including any co-optees that may be in place from time to time). The Chair of the Board is appointed by the Board. The Board trustees who have served during the period are shown on page 4.

Our Executive Officers are listed on page 5; they are not trustees of the Board. They act as an Executive within the authority delegated to them by the Board, as set out in EPIC's Control Framework. The remuneration of the Executive team, along with details of the highest-paid officer, is detailed in Notes 7 and 8 of these financial statements.

The Board has ultimate responsibility for the governance of the Company. The Board's central role is to direct the organisation's work; that is to determine strategic direction. The Board agrees frameworks, strategies and policies and makes decisions on all matters that might create significant financial or other risk to the Company; or which raise material issues of principle. Operational delivery, leadership and management is delegated to the Executive Team.

Committee structure

The main Board is supported by 2 committees - the Audit & Risk Assurance Committee (ARAC) and the Governance and Remuneration Committee (GRC).

Scheduled Meetings during the year ended 31 March 2025

Board	6
Audit Risk and Assurance Committee (ARAC)	3
Governance and Remuneration Committee	3

Incorporated into the number of Board meetings above was a full day of dedicated time for strategic and generative discussions (December 2024). The topics discussed included a review of progress against the corporate plan, EPIC's approach to risk management (including the sector risk profile and risk appetite), hearing the voice of the tenant through engagement and influencing activities, and a focus on the budget and Long-Term Financial Plan.

In addition, an extra unscheduled meeting was held in year, at the Board of Trustees request, to further discuss and finalise the assumptions and stress testing scenarios to be included within the Long-Term Financial Plan in January 2025.

Report of the Board

Board effectiveness and board learning and development has been in-train since November 2022, working with an independent third party, The Connectives, culminating in observation of Board for validation and verification of board's effectiveness over that time, including:

- Exploring the role of Non-Executive and Executive Directors (November 2022).
- Deepening Board effectiveness and exploring collecting appraisal (August 2023).
- Leverage competencies and steering strategic action (October 2023).
- Understanding, reviewing and building of skills and behaviours (September 2023).
- Highly effective Boards, collective appraisal including a review and update of skills and competencies (November 2024).
- Board observation (February 2025).
- The first set of individual Board of Trustee appraisals took place in Q4 of 2024-25.
- Equality, Diversity and Inclusion (April 2025, postponed from February 2025).

The draft Board annual learning and development plan was presented to the Board in February 2025 and the final version incorporating links to the appraisal outcome and skills and competencies self-assessment in Q4 2024-25 was presented to the GRC in May 2025.

Appointment of Board Trustees

Trustees are appointed for three-year terms. The standard period of service is six years, with annual extensions permissible to a maximum of nine years. Service agreements are in place for all trustees.

Board of Trustees skills, quality & experience

Trustees collectively possess the qualities and skills to take decisions and monitor performance. Collectively the Board brings experience and understanding of a broad range of topics including, but not limited to, finance, tenants' issues and local housing need. An annual process of collective appraisals is in place, with a biennial cycle of individual board appraisals, together with a skills matrix to ensure that the ongoing collective experience and behaviours is considered and aligned to succession planning.

Board of Trustees Code of Conduct

Trustees have an obligation to ensure that their private or personal interests do not influence their decisions or compromise their ability to always act in the best interests of EPIC and those whom it seeks to serve. They must not use their position to obtain personal gain of any sort.

Employees

EPIC is committed to ensuring that an effective framework for colleague engagement and communication is in place and that information on matters that concern them is effectively managed and communicated through regular briefings and supported by an established Staff Focus Group. The organisation does not recognise trade unions.

EPIC is committed to Equality, Diversity and Inclusion and full and fair consideration is given to applications for employment made by all people, having regard to their particular aptitudes and abilities. The number of staff that would recommend EPIC as a great place to work was 96%, and 100% were happy with their role and the number expected to be at EPIC in 2 years was 97%.

Report of the Board

Health and Safety

The Board is aware of and takes seriously its responsibilities on all matters relating to health and safety. EPIC has prepared detailed health and safety policies and provides training both to colleagues and to the Board on health and safety matters.

Internal controls assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal controls at EPIC and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the business objectives, and to provide reasonable assurance against material misstatement or loss.

Following the recent regulatory inspection, EPIC has been graded Governance G1. The improvements made by EPIC over the last few years, in respect to its governance and management of its system of internal controls, have been pivotal in securing the fully compliant result.

EPIC's control framework comprehensively details the following areas:

- Overview, including legal and regulatory context and key stakeholders.
- Composition of the Board and Committees, with detailed Terms of Reference constituting a formal scheme of delegation.
- The Board has retained responsibility for matters such as the strategic direction of EPIC, its Risk Appetite, and its long-term business planning, stress testing and mitigation modelling.
- Governance framework, including articles of association, mission, control framework and financial regulations, risk management, and relevant strategies and policies such as Equality and Diversity Policy.
- Operational structure, information management, health and safety, safeguarding, staff ethics and culture and remuneration of Board and Executives.
- Financial regulations including delegations, budgeting, financial planning, payments, payroll and pensions and insurance and all other relevant areas.

The Audit and Risk Assurance Committee (ARAC) and the Governance and Remuneration Committee (GRC) have met regularly through the year and have supported the Board effectively through the discharge of their responsibilities as documented in their approved Terms of Reference.

Further improvements have been made to the Strategic Risk Register with a number of risks being consolidated or discharged during the year. Further work has also been done to evidence operational risk management processes throughout the organisation.

The Board has received regular reports on progress against the Corporate Plan, financial and operational outcomes, health and safety compliance and complaints monitoring. A robust strategic and business planning process is in place with approved assumptions, stress testing and forecast outturns. Potential mitigations have been identified for deployment should issues materialise.

A series of self-assessments has taken place; including the Consumer and Economic Standards, the Complaints Handling Code and the NHF Code of Governance 2020, which was adopted in this financial year (August 2024).

Report of the Board

EPIC's out-sourced internal audit provider, TIAA, has continued to deliver on the plan agreed with the ARAC which focuses on key areas of risk to EPIC, together with those identified in the Sector Risk Profile. ARAC reviews reports from internal audit, from management and from the statutory auditors, and reports regularly to Board on the extent to which internal controls continue to take account of the nature of risks facing EPIC. A formal process exists for the reporting and implementation of significant control weaknesses and outstanding actions.

The outsourced internal audit programme and the processes and report resulting from the statutory audit of EPIC's financial statements are important sources of assurance to ARAC that internal controls are in place and operating effectively. Risk based audit plans for both services are developed, with organisational input, at the start of each financial year.

The Board has received ARAC's annual report and has conducted an annual review of the effectiveness of internal controls. No weaknesses were found in the internal controls sufficient to cause material misstatement or loss and the system of internal controls operated throughout the year and to the date of signing of the financial statements.

EPIC has high standards of openness and honesty and has in place procedures to minimise the risk of fraud and measures for responding should it occur.

This is further evidenced in the internal audit annual report for 2024-25 from the Head of Internal Audit, TIAA, which states: "TIAA is satisfied that, for the areas reviewed during the year, EPIC has reasonable and effective risk management, control, and governance processes in place."

Continuous improvement and embedding all that has been achieved in 2024-25 will remain a core focus for 2025-26, alongside working with the Board, Regulator of Social Housing, and staff to enhance and improve on service delivery and improvements to the quality of tenants' homes in line with the Corporate Plan.

During the financial year ending 31 March 2025, no significant internal control failings or weaknesses were identified by the Board, Audit & Risk Assurance Committee, Governance and Remuneration Committee or EPIC's internal or external auditors.

The Board considers that a suitable framework of internal control was in place and operating effectively throughout the 2024-25 financial year.

Donations

No donations were made during the year – £Nil (2024: £Nil).

Directors' and Officers' Insurance

EPIC's trustees and officers have personal liability insurance through the organisation's company insurance. Cover was in place throughout the year, and no claims were made.

Provision of information to the Auditor

The trustees of the Board, in attendance at the meeting on the date of approval of these financial statements, have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the trustees of the Board have confirmed that they have taken all the steps that they ought to have taken as trustees of the Board in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Report of the Board

Independent Auditor

Beever and Struthers were re-appointed as auditor at the Board Meeting in September 2024. They have confirmed their willingness to continue in office on a rolling 12-month basis subject to appropriate reviews.

Approval

The report of the Board was approved by the Board on 18 September 2025 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'Simon Wilson', written over a horizontal line.

Simon Wilson
Chair of Board

Strategic Report

Introduction

The Board presents its Strategic Reporting, containing the Operating and Financial Review and value for money statement, for the year ended 31 March 2025.

Overview and background

EPIC owns and manages 1,375 homes for tenants across North Staffordshire with properties in Stoke on Trent, Newcastle-under-Lyme and the Staffordshire Moorlands. In July 2025, as a result of a regulatory inspection by the Regulator of Social Housing our Governance rating was upgraded to G1, we received our first grading against the Consumer Standards, C1 and maintained our Viability rating of V2. These gradings represent the continuous improvement that EPIC has been on since 2021 and are a positive reflection of the organisation.

EPIC's capacity and capability has further evolved during 2024-25 with additional investment in resources, increasing staff numbers in areas of the business to continue to build on the improvements made, including tenant engagement/influence, data/information governance, front-line housing and asset colleagues.

Like others in the sector, EPIC faces challenging decisions and continually seeks to achieve value for money, prioritising our activities to bring about positive outcomes on tenants. The cost-of-living crisis continues to impact tenants and the wider communities and the services and the work that we do in collaboration with our partners is focussed on support and mitigation wherever possible.

Our financial resilience is strengthening, and our organisational culture is positive with tenants at the heart. The co-creation of our 2024-27 Corporate Plan drives a continued focus on tenants', their homes and the wider communities. We are positive that with continued focus and controls in place, our aim to remain as a strong and independent organisation is achievable. This is underpinned by the July 2025 Regulatory Judgement from the Regulator of Social Housing, details here: [Empowering People Inspiring Communities Limited \(L4167\) - Regulatory Judgement: 30 July 2025 - GOV.UK](#)

Tenants' homes

Across the profile of tenants' homes, we have 1,375 properties that we own and manage, with a further 26 leaseholders who have exercised their Right to Acquire or Right to Buy (RTA / RTB). Over a quarter of the properties are made up of family sized homes and there is an offer of a mix of houses, flats and bungalows.

Property Profile (including leaseholders):

1 bedroom flat	261
1 bedroom house	5
1 bedroom bungalow	4
2 bedroom flats	748
2 bedroom house	177
2 bedroom bungalow	29
3 bedroom house	171
3 bedroom bungalow	1
4 bedroom houses	5
Total	1,401

There is a continued demand for the properties that EPIC owns and manages and affordability in comparison to the local housing allowance and private rented sector remains positive.

Strategic Report

Allocations

On average EPIC turned over around 8% of its stock annually. In 2024-25 100 empty properties were returned (2023-24, 98, and in 2022-23, 109). During 2024-25 we suspended the waiting list to new applicants due to the high volumes already active. We are in the process of reviewing the Allocations Policy to ensure we are focusing on housing those most in need. Approximately 50% of properties allocated have been to Stoke on Trent City Council as part of EPIC'S nominations agreement with them.

The time taken to make ready an empty home for a new tenant was 28 days in 2024-25. We experienced a greater variation in the cost and level of required refurbishments for properties returned in the year, which led to a wider variation in individual empty property turnaround times. The achievement of the 28-day target has been achieved through collaboration between the Housing and Asset Management Team and the Void Repairs contractor. Whilst rent loss is slightly up on 2024 this is mainly due to the higher rent charges due to the 7.7% annual increase.

Tenant Engagement and Influence

The level of engagement and influence with, and from, tenants has significantly expanded over the past 12-18 months. Capturing of tenant engagement and influence is critical to be able to triangulate with the wider knowledge of tenants (age, sex, ethnicity) but also to underpin decision-making. EPIC'S Engagement and Influence Log has been developed to support this and capture key information such as number of campaigns, number of tenants involved and outcomes as a result. The Log also captures lessons learned from dealing with complaints.

Tenant Ambassadors continue to work alongside EPIC staff, with recent discussions including EPIC'S Allocations Policy, Complaints and Compliments for 2024/25 and the Renters Right Bill. A Tenant Ambassador attended the TPAS Midlands Regional Event in April 2025; along with three members of staff and two board trustees. We continue to hold quarterly Community Voice events, attended by the Chief Executive, Director of Housing Management and at least one Board Trustee. Two additional Tenant Ambassadors were recruited following the event in May 2025. Over 2024-25, a total of 18 tenants attended Community Voice sessions, providing great insight, sharing personal and wider community concerns and a growing confidence in the services delivered by EPIC.

Tenant usage of Housing Perks continues to increase. By the end of the year, tenants had used 905 vouchers, spending a total of £60,787 and saving £2,802. Vouchers have also been effectively distributed through campaigns, such as the School Shoes Campaign, which issued 77 vouchers. In 2024-25, EPIC issued a total of 98 vouchers for utilities and food worth £4,700 from the Tenancy Sustainment Budget. The actual cost to EPIC was £4,530, resulting in value-for-money savings of £170.

Tenant Satisfaction Measures

2024-2025 saw the second year of the Regulator of Housing's (RSH) Tenant Satisfaction Measures. EPIC used the services of Acuity Benchmarking to conduct the Annual Tenant Engagement survey to gather tenant perception measures and took the opportunity to ask tenants whether or not they believed their homes were suffering from damp and mould. Everyone who shared their details with us, who raised concerns with us, were contacted and visits were carried out to investigate and rectify any issues raised.

EPIC had 525 responses to the survey, exceeding the required 302 responses for the survey results to be relied on. At a high level, the survey showed that in line with 2023-2024 eight out of ten tenants, 81% were satisfied with the overall service provided by EPIC. The number of tenants that were satisfied that they were treated fairly and with respect increased from 81% to 85%. Overall, the results were very positive with the lowest score associated with the satisfaction of EPIC'S handling of complaints which was 42%. We continue to learn from complaints and have a dedicated Board Trustee, our Member Responsible for Complaints (MRC), that scrutinises all complaints, responses and outcomes for tenants and lessons learned.

Strategic Report

Working with others

We have continued our engagement and partnership working with other organisations. We recognise that as a small landlord EPIC does not have capacity and resources to fully support tenants across the variety of their needs, but other people that we work with can help tenants to sustain their tenancy and also to provide the additional support they may need to thrive.

We are involved in a number of best practice and information sharing groups, including, Financial Inclusion/Welfare Reform; Anti-Social Behaviour; and Case Review Panel. We are also involved with Stoke on Trent City Council's Tenant Voice to share knowledge, information, and best practice on tenant scrutiny and progress. Partnership engagement via Making Great Places campaign (Bentilee only) – led by City Council ASB team & involving Police & other support agencies.

We opened a Resource Room at our Ubberrley Road offices – free to use by partners providing advice and support for tenants and residents and the wider community as well as tenants. We have also created, and are using, an Advice & Support directory – a log of local support agencies that colleagues can call upon/refer tenants to for support on specific issues.

In September 2024, EPIC hosted a multi-organisation Stakeholder Event with representatives from circa 40. Organisations. This enabled rich discussions and exploration on what matters in the communities in which we work and how better we could all work together with improved collaboration. As relationships continue to deepen and develop, this is starting to show positive outcomes for all.

Social Housing (Regulation) Act 2023

The Social Housing (Regulation) Act 2023 become law on 25 July 2023, providing the Regulator with the additional powers needed to deliver an enhanced consumer regulation role. In April 2024, the Regulator changed and introduced a stronger and more active regulation of the consumer standards. EPIC completed its self-assessment in 2024 which confirmed that EPIC was compliant. In November 2024, third party consultants provided an independent review of EPIC's self-assessment, and they confirmed that the required assurance and outcomes of the standards were being delivered with some areas for improvement.

From April 2024 the Housing Ombudsman, made a number of significant changes to its Complaint Handling Code. EPIC completed its annual self-assessment against the code and as a consequence modified its policy and procedure, appointing as part of the new code a trustee of the Board, known as the Member Responsible for Complaints.

Asset Management

During 2024-25 a number of key health and safety policies were refreshed including asbestos, electrical, fire, gas and legionella safety. In addition to this the tenant home improvement policy, repairs policy and stock condition policies were all reviewed and updated. Appropriate tenant consultation was undertaken.

Fire Safety

During the financial year 2024-25, we completed the ongoing program of fire safety improvements to our blocks of flats, and all were fully compliant by March 2025.

Investment in tenants' homes

In 2024-25, we installed:

- 86 Kitchens
- 41 Bathrooms
- 67 Boilers
- 17 Roofs
- 109 External Doors
- 114 LD2 Fire Alarms

Strategic Report

As part of our continued improvements to tenants' homes, we have installed 620 humidity-controlled fans in voids, kitchen & bathroom installations and in tenant homes to assist in moisture control.

Repairs & Maintenance

Brenden Fern continues to provide our repairs and maintenance services to all tenants' homes. We continue to work with them to better understand any trends in repairs and to allow us to focus on tenant satisfaction with the repairs service.

In 2024-25, we completed:

- 4,424 day-to-day repairs (up 462 from 3,962 in 2023-24); and
- repairs and upgrades to 100 empty properties.

In addition:

- We completed 94.8% of non-urgent repairs within target timescales compared to 94.5% in 2023-24; and
- 98% of all appointments were kept

Satisfaction with the repairs service is high – 81.9% of respondents to the tenant survey were satisfied with the repairs service, based on 525 responses and 81.4% of STAR surveys returned stated that they were satisfied with the time taken to complete repairs.

Our people and technology

The annual People & Culture Survey was completed in November 2024 and presented to the Governance and Remuneration Committee in May 2025. Key highlights included:

- 96% of employees would recommend EPIC as a great place to work.
- 100% are satisfied with their job.
- 100% feel that leaders are helpful and approachable, feel that information and knowledge is shared openly across the organisation, feel supported and connected to their team, feel changes to processes and systems are communicated in a timely manner and find their work meaningful.
- 97% are likely to be working at EPIC in 2 years' time, feel like they have line manager support when they need it and feel they play a key role within their team.

Key to the success of EPIC and the experience of employees and tenants is the delivery of excellent customer services. Part of the ongoing development of employees is 'The EPIC Connection' a purposefully designed development programme that is focussed on a 'customer-centric' approach underpinned by positive relationships, moving away from purely transactional interactions.

We have seen the positive impact of having an in-house Business Intelligence team. They have provided greater mapping of processes and improved reporting and management of data across the whole organisation. The ability to analyse our tenant data is proving to be an invaluable tool, we have been able to identify underlying trends that we can utilise to develop our services.

We have undertaken externally facilitated tests of our Business Continuity Plans and reported the results to the Audit and Risk Assurance Committee and incorporated lessons learned from the exercise into business-as-usual activity.

Strategic Report

Value for Money (VfM)

The Regulator of Social Housing Value for Money Standard and Code requires providers to report in their statutory accounts against the metrics defined by the Regulator. These metrics are defined in the 'Value for Money Metrics' document issued by the Regulator.

Value for Money underpins the delivery of EPIC's purpose and objectives. Our overarching aim is to achieve our VfM priorities, in order to improve services to tenants and maintain our capacity to deliver our Corporate Plan, with the resources contained within our Long-Term Financial Plan.

Value for Money is a term used to assess whether an organisation has obtained the maximum benefit from the goods and services it acquires and/or provides, within the resources available to it. It measures the costs of goods and services, but it also takes account of the mix of quality, cost and timeliness in order to assess VfM. The VfM Policy was reviewed and updated in February 2025. Having clearly defined strategies in place helps inform decisions about our VfM priorities.

Value for Money is deep rooted in the delivery of our objectives. Our overarching aim is to achieve our VfM priorities. We do this through challenging costs and processes to ensure that value is derived from every transaction/action, whilst still complementing, and running in parallel with our regulatory compliance obligations, to provide better services to tenants, and maintain our capacity to deliver our Corporate Plan.

VfM is incorporated into key strategies and policies including Procurement, Asset Management and Treasury Management. Decisions on VfM will always be taken within the context of our social and business objectives.

Value for money is lived and breathed by staff daily in their roles. The organisation benefits from:

- A comprehensive suite of Key Performance Indicators (KPI) agreed by the Board to provide a picture of EPIC's achievements and progress in relation to the delivery of the Corporate Plan. The KPI suite includes the VfM metrics.
- The use of the RSH VfM Benchmarking Tool which includes numerous metrics for all Registered Providers (RPs) with more than 1,000 units. This tool is used as the primary tool for performance benchmark reporting wherever possible.
 - The selection criteria to be used is:
 - less than 2,000 units; and
 - less than 50% supported housing activity; the RPs will be based in England but will exclude London, the East of England, the Southwest, and the Southeast.
- A robust business planning process and cycle that is led by the Board and the outcomes cascaded to all employees,
- A comprehensive corporate plan that clearly outlines EPIC's strategic objectives and robust business planning process,
- Rigorous performance management and scrutiny processes in place for the Senior Leadership Team monthly and the Board quarterly including management accounts, and KPI's.

The table below details EPIC's performance against both the Value for Money Metrics as well as the Sector Scorecard indicators.

Strategic Report

Value For Money Metric	Sector Median 2023-24	Peer Group Global Accounts 2023-24	EPIC Target 2024/25	EPIC Actual 2024/25	EPIC Target 2025/26	Comment
Reinvestment % <i>This metric looks at investment in properties including existing stock and new stock. This is calculated as a percentage of value of total properties.</i>	7.7%	2.0%	2.1%	2.3%	2.3%	EPIC invested slightly more than its target in 2024-25 which is favourable to its Peer Group in 2023-24. Due to additional capacity in year we were able to bring forward a small element of energy efficiency expenditure helping to progress the drive to EPC C for all properties ahead of 2030. As we are not currently developing, the metric is lower than the sector median. EPIC is committed to ensuring that our stock meets tenants needs and the LTFP reflects this in its provisions for proactive investment in our existing stock over the life of the plan.
New supply delivered (social housing) as a % of total stock <i>This sets out the number of new social housing units that have been acquired or developed in the year as a proportion of total units.</i>	1.4%	1.0%	0.0%	0.0%	0.0%	EPICs focus over the last few years has been on recovery and stability whilst it delivered a Governance Improvement Plan. The Board decided to focus on the core business activities as opposed growth. The short term business plan does not include any additional growth, with the focus on improving our existing stock and establishing an ethos of continuous improvement.
New supply delivered (Non social housing) as a % of total stock <i>This sets out the number of new Non social housing units that have been acquired or developed in the year as a proportion of total units.</i>	0.2%	0.0%	n/a	n/a	n/a	
Gearing % <i>This shows the proportion of our borrowing compared to our assets. A high gearing could indicate that we have taken on too much borrowing however low gearing could indicate that we have capacity to borrow more.</i>	45.6%	37.5%	28.0%	26.2%	26.4%	At the end of the year, EPIC has loans of £16.8m outstanding. Our low gearing levels continue to reduce across the current business plan as existing loans are repaid and no further borrowing is secured. Initial reviews show that the 30 year plan can support additional borrowing of circa £20m subject to a resetting of interest cover definitions to EBITDA only, should our growth ambitions change. As outlined previously the Board have been focused on stability and improving our capacity and operations and investing in our tenants homes as opposed to growth. The gearing is in line with prior years and with the forecast. The level of gearing is below both our Peer Group and the Sector Median.
EBITDA – MRI (Interest Cover) <i>This shows how much cash the organisation is generating compared to interest payments. Any result above 100% means that we are generating surplus cash over and above interest payments</i>	122.0%	162.0%	132.9%	219.0%	141.6%	Due to a combination of factors, including arrears performance and prudent forecasting the surplus reported in 2024-25 was greater than forecast / target, resulting in a higher level of interest cover. The sector has been hit hard by the economic climate and the sector median is at an all time low. Against the harsh backdrop, EPIC's business plan forecasts that interest cover over the next 5 years will be no lower than 140%, being above the sector median. We are performing lower against our peer group because of additional stock investment.
Headline social housing cost per unit (£) <i>The unit cost metric assesses the headline social housing cost per unit as defined by the Regulator of Social Housing</i>	5,316	4,577	4,174	4,062	4,314	EPIC's Social Housing Cost per unit of £4,062 is 9% higher than in 2023-24, reflective of a staff restructure to provide additional capacity and deliver quality of services. The cost per unit across the sector increased by 16% for 2023-24. EPIC's average cost per unit is £1.2k less than the sector median and reflects the fact that most of our stock is general needs, with the support service being provided by third parties. We are out performing our peers, reflecting our tight budgetary control.
Operating Margin % Social Housing <i>This is an indicator of operating efficiency and business health as it measures the amount of surplus generated from turnover on our day to day activities</i>	20.4%	23.4%	12.1%	18.2%	12.8%	Whilst operating margin has increased since 2023-24 to 18.2% (and exceeded target) it still remains below the average for the sector and our Peer group. The latest business plan shows operating margin improving year on year over the next 5 years, reaching 20% by 2031.
Operating Margin % Overall <i>This is an indicator of operating efficiency and business health as it measures the amount of surplus generated from turnover on our day to day activities</i>	18.5%	21.8%	12.1%	18.2%	12.8%	As Above.
Return on capital employed (ROCE) % <i>This metric compares the operating surplus to total assets less current liabilities and assesses the efficient investment of capital resources</i>	2.8%	2.6%	1.6%	2.6%	1.7%	The ROCE at year end 2025 was in line with the peer group and ahead of our own forecast, as some of the provisions we had in place for various potential costs were not incurred at the levels that we had provided for.

Strategic Report

Other Metrics

Metric Description	Sector Median 2023-24	Actual 2023/24	Actual 2024/25	Target/ Forecast 2024/25	Target 2025-26	Comment
Voids <i>This measure illustrates the % rent lost through empty (void) stock %</i>	1.90%	0.53%	0.55%	0.64%	<1%	In 2024-25 we bettered our void turnaround target of 28 days, attaining an average turnaround of 27.48 days, as a result void rent loss is also lower than target at 0.55%. During the year we have had our challenges with a higher number of high value empty properties for various reasons but the teams have worked hard to ensure these did not adversely affect the overall year average. Performance is significantly better than the sector median reported in 2024.
Management cost per unit <i>This metric shows the cost per unit incurred in managing our properties £</i>	1,300	1,160	1,396	1,764	2,000	The Management cost per unit is significantly higher than the sector average and reflects the need for EPIC to invest in staff capacity to review, redesign and embed new processes. This was anticipated and the costs are lower than we had anticipated in 2024-25.
Service charge cost per unit <i>This metric shows the service charge cost per unit £</i>	900	140	142	148	145	EPIC continues to have lower service charge costs than the sector average. Our service charge offering is minimal due to the stock profile and we only have a few supported properties and any support services received by our tenants are provided by third parties. The nature and archetypes of stock that we own have relatively small service charges related to them mainly in relation to communal gardening and lighting.
Maintenance cost per unit <i>This metric shows the average maintenance cost per unit including responsive repairs and planned revenue repairs £</i>	3,000	2,087	2,099	2,261	2,000	Our average maintenance cost per unit remains significantly below the sector average. The spike in 2023-24 was mainly as a result of lower expenditure on fire improvement works required in 2024-25. We are investing greater sums each year in our component replacement programs. There is not a backlog of overdue works underlying this performance, in 2024-25 we actually managed to bring forward some planned works from 2025-26. The approved LTFP shows investment increasing and been maintained at over £1m in the next few years.
Rent Arrears <i>This shows how % of rent arrears compared to rent charged %</i>	N/A	4.72%	3.42%	4.75%	4.35%	Overall rent arrears as a % of rental income fell as a percentage of the rent charged from 4.72% to 3.42%. This demonstrates that despite the difficulties faced by our tenants in the cost of living crisis that we have maintained rent collection targets. As evidenced by the rent collected figures the arrears at year end 2025 were very positive. EPIC like many across the sector has experienced mixed performance with arrears with a trend for more debt associated with those tenants on Universal Credit.
Rent Receivable <i>This shows how effective we are at collecting rents due %</i>	N/A	99.5%	100.1%	98.5%	99.00%	This demonstrates that despite the difficulties faced by our tenants in the cost of living crisis that we have managed to exceed rent collection rates and targets. The performance is very good given that there was a rent increase of 7.7% in April 2024 in line with the rent standard. We have fully utilised the tenancy sustainment budget that was established to assist tenants with other aspects of maintaining a successful tenancy.

Strategic Report

Financial review

During the year, several improvements have been introduced within the Financial and Governance processes. These include the review and the revision of the Treasury Management Policy and Strategy supported by the David Tolson Partnership. Treasury and Banking, Assets and Liabilities Register (ALR) and Rent Setting, Collection and Arrears Management were all subject to internal audits conducted by TIAA. All three audits produced Substantial Assurance with minor recommendations having all been implemented.

We have also incorporated more component data into our core systems to improve the security and stability of the data that we manage and reduce the risks associated with using spreadsheets in line with the Corporate Plan.

The Statement of Comprehensive Income for the year ended 31 March 2025 and the Statement of Financial Position as of 31 March 2025 are shown on pages 27 and 28.

The key financial highlights for EPIC are as follows:

- The total comprehensive income for the year of £1,017k compares to £205k in 2023-24. There was a positive impact from the actuarial gain on the Social Housing Pension Scheme (SHPS) defined benefit scheme of £103k. It has been confirmed that EPIC's liabilities in relation to the scheme have been reduced as a consequence of the 2023 valuation.
- The key areas where income or costs have changed from 2024 to 2025 are:
 - Turnover of £6,752k versus £6,171k in 2024 represents a net increase of £581k, which equates to 9.4%. This is due to the combination of a 7.7% rent increase applied in April 2024, and 2024-25 being a 53 week rent year. Void losses were £37k which was £5k higher than in 2023-24 of £32k, because of the higher average rents following the increase, in addition to the extra week in 2024-25. The average target relet time of 28 days was achieved within the year.
 - Management costs are £314k higher than in 2024 at £1,917k. This is mainly due to the impact of the new staffing structure. There were other budget headings with greater year on year comparative variances that contributed to the remainder of the movement and these included the creation of the tenancy sustainment budget, increased audit and Regulator / Ombudsman fees, offset by lower expenditure on insurance, utilities and ICT projects as the body of work was undertaken in 2023-24 to improve the stability of the ICT infrastructure.
 - Overall routine maintenance costs are broadly in line with the prior year with a £39k reduction compared to 2023-24. Again, there is a variation in budget headings with voids coming in less than in 2023-24 and more cyclical expenditure being incurred in relation to electrical testing and remedial works and asbestos surveys.
 - Planned and Major repairs were £584k compared to £659k a reduction of £75k. This reflects the lower fire improvement measures needed in year in respect of 6 blocks, these were circa £160k less than in 2023-24 but were offset by increased costs of major repairs work identified and completed of circa £28k, (including damp and mould works), and the commencement of a program of environmental works to work towards EPC C of £64k.

Strategic Report

Financial review (continued)

- The bad debt charge decreased from £60k in 2023-24 to £36k in 2024-25. The same methodology was applied in calculating the provisions, but at year end the current arrears were only 2.08% of the rent debit versus 2.8% in 2023-24.
- During 2024-25 we sold six properties that generated sales proceeds of £530k and a profit on disposal of £155k. Five disposals were either by Right to Acquire, Rent to Buy and the other was a disposal at our discretion in line with our Stock Rationalisation policy.
- We introduced a new Treasury Management Policy and Strategy in late 2024 and opened two additional interest generating investment accounts, which resulted in interest receivable increasing from £8k to £35k.
- Financing costs are broadly in line with last year at £506k, versus £514k in 2023-24. The loan note 24 explains that all loans are fixed until 2030-31.
- Based on the statement of comprehensive income, the operating surplus for the year of £1,386k represents 20.5% of turnover, compared to 13.8% in 2024 when the operating surplus was £849k. The increase in operating margin is primarily because of the additional income outlined above, offset by the increased costs in certain areas.
- The Statement of Financial Position shows an overall increase of £988k, from £28.8m to £29.8m in year. The main movements are outlined below:
 - Fixed Assets decreased by £258k in the year because of a combination of factors. We invested £1,196k in component replacements and other fixed asset additions this was more than offset by depreciation charges of £750k, (net of depreciation write out costs) and the write off costs of £704k mainly in relation to the property disposals that took place in the year.
 - Debtors increased by £47k, attributable to two Right to Acquire discounts that were received in April and an increase in other debtors held at year end.
 - The year-end cash and short-term investment position increased by £618k from £3.255m to £3.873m, because of the trading results and the low levels of rent arrears. We opened two further investment accounts and placed a combined £2m in these to maximise income generation.
 - Creditors less than one year increased by £151k due to a combination of factors. A reduction in trade creditors was more than offset by an increase in accruals, a net increase of £66k. The remainder of the increase was mainly because of increased rent prepayments of circa £69k and £12k in respect of loans amounts due in less than one year.
 - The amount related to creditors over one year decreased by £525k, mainly as a result of the capital repayments on loans of £490k, and a reduction in grant as a result of grant amortisation and grant on disposals net of transfers to the Recycled Capital Grant Fund generated by property sales.
 - The provision for the pension deficit decreased by £207k, reflecting the reduction in the actuarial valuation of the outstanding deficit and the pension deficit payments made during the year.

Strategic Report

Financial review (continued)

- The movement in reserves of £988k mainly relates to the trading surplus of £1,017k in the year net of a transfer from the revaluation reserve in relation to a property disposal.

Funding and Treasury

In relation to Funding and Treasury activity, our sole lender is Triodos. Our principal bank providing day-to-day transactional support is the Co-operative Bank Plc. As of 31 March 2025, arranged facilities were £19.3m, all of which are fully drawn, and repayments have commenced. The outstanding balance at 31 March 2025 £16.8m. All the total debt drawn is at fixed interest rates until at least 2030.

EPIC is fully compliant with its two key loan covenants, and as at 31 March 2025 Interest Cover was 216% against a minimum 110% and Asset Cover was 169% versus a minimum of 125%.

Whilst the long-term financial plan shows that we do not require any additional funding to support our current plans, there were 424 units of unencumbered units of stock, subject to satisfactory gearing and interest cover calculations, which would provide approximate security headroom of MV-STT of £23.7m should our plans evolve.

Treasury activities are controlled and monitored by the Board and are executed by the Director of Resources. During 2024-25 the business modelling function has been brought in house, giving EPIC more flexibility and greater control over longer term investment decisions. EPIC's financial instruments comprise borrowings, cash and liquid resources, and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to finance operations.

Future plans, risks and uncertainties

- The Board completed a comprehensive strategic review during 2023-24 and reset the corporate strategy for the period 2024-27.
- Contained within the latest corporate strategy (2024-27) are five key strategic objectives:
 - Tenants – working alongside tenants, ensuring that their tenancy with EPIC is sustainable, supported and enjoyable;
 - Tenants' Homes – ensuring that tenants' homes are accessible, right size, safe, and well maintained and there is clear and timely communication in place for replacing key components;
 - Communities – making the most of EPIC's geography and place in the community for the benefit of all. This will be drive by having deep knowledge of every tenant, their community and other organisations in the area;
 - Information – making the best use of technology available and be confident in the integrity of the data held to inform decision-making; and
 - Developing our culture to enable a great employee experience and opportunities to fulfil everyone's potential for the benefit of the individual and tenants.
- Delivery of the corporate strategy, alongside business-as-usual activity, has been translated into a number of key projects across the organisation for 2025-26 continuing the work started in 2024-25.

Strategic Report

Future plans, risks and uncertainties (continued)

- The golden thread across all key objectives is tenant influence and engagement, maintenance of homes and data.
- The Board recognises that the current operating environment is challenging and uncertain largely due to a combination of, political leadership overseas, ongoing challenges and impacts of inflation and the conflicts in the Middle East and Ukraine. The Board with the support of ARAC will continue to closely monitor the comprehensive suite of key performance indicators (KPI's) and management accounts throughout the year to ensure that performance is aligned to the budget.
- Our approach to financial resilience remains strong with continued close monitoring of budgets, value for money and actions that could be deployed in the event of risk crystalising.
- ARAC actively reviews the Strategic Risk Register at all meetings and the Board will be completing reviews at least bi-annually as set out within EPIC's Control Framework.

The Governance, Financial Viability and Consumer Standard

The Board can confirm compliance with the Governance, Financial Viability and Consumer Standard. EPIC received its latest Regulatory Judgement in July 2025 confirming G1, V2, C1 status.

National Housing Federation Code of Governance

Following review and recommendation by the Governance and Remuneration Committee the Board has adopted the National Housing Federation's Code of Governance 2020. As part of the ongoing continuous improvement plan a self-assessment was submitted to the GRC in May 2025 for scrutiny and subsequent review by the Board. The self-assessment concluded that EPIC is compliant against the 2020 code.

Statement of Board responsibilities

The Board is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Registered Provider legislation requires the Board to prepare financial statements for each financial year. Under that legislation the Board elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Housing Association legislation, the Board 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 Board is 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 a going-concern basis unless it is inappropriate to presume that the Association will continue in business.

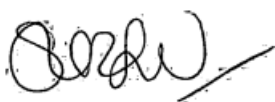
Strategic Report

Statement of Board responsibilities (continued)

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with Housing Association legislation. The Board 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 Executive Team are 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.

Approved by the Board on 18 September 2025 and signed on its behalf by



Sharon Shaw
Company Secretary

Auditors Independent Report

Independent Auditor's Opinion

Opinion

We have audited the financial statements of Empowering People Inspiring Communities Limited (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt 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 Board with respect to going concern are described in the relevant sections of this report.

Auditors Independent Report

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. 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.

In connection with our audit of the financial statements 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 prescribed by the Companies Act 2006

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

- the information given in the strategic report and the Board's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Board's report have been prepared in accordance with applicable legal requirements.

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 strategic report or the Board's report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion a satisfactory system of control over transactions has not been maintained.

Auditors Independent Report

Responsibilities of the Board

As explained more fully in the Board's Responsibilities Statement set out on page 21, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board 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 Board 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 Board 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022 tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud.
- We enquired of the Board about any incidences of fraud that had taken place during the accounting period

Auditors Independent Report

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing, recognising the nature of the company's activities and the regulated nature of the company's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of the audit report

This report is made solely to the company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's trustees 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 trustees as a body for our audit work, for this report, or for the opinions we have formed.



Mark Bradley (Senior Statutory Auditor)
For and on behalf of
Beever and Struthers
Statutory Auditor
The Beehive Lions Drive
Shadsworth Business Park
Blackburn
BB1 2QS

Date: 23 September 2025

Statement of Comprehensive Income

		Year Ended 31 March 2025 £	Year Ended 31 March 2024 £
	Note		
Turnover	1,2	6,751,835	6,170,820
Operating costs	2	(5,520,967)	(5,328,145)
Gain on disposal of property, plant and equipment	21	155,438	6,254
Operating surplus		1,386,306	848,929
Interest receivable net of notional RCGF interest		34,638	8,244
Interest and financing costs	5	(506,330)	(514,412)
Surplus before taxation		914,614	342,761
Taxation		-	-
Surplus for the year after taxation		914,614	342,761
Other comprehensive income			
Actuarial gain/(loss) in respect of pension scheme	16	103,000	(137,497)
Total comprehensive income for the year		1,017,614	205,264

The results relate wholly to continuing activities and the notes on pages 31 to 50 form an integral part of these accounts.

Statement of Financial Position

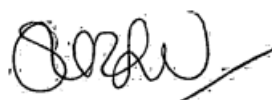
	Note	As At 31 March 2025 £	As At 31 March 2024 £
Fixed assets			
Tangible fixed assets	9	50,011,449	50,268,977
Investments in subsidiary	10	1	1
		50,011,450	50,268,978
Current assets			
Trade and other debtors	11	606,463	559,406
Investments	12	2,453,232	439,363
Cash and cash equivalents	12	1,420,005	2,815,432
		4,479,700	3,814,201
Less: Creditors: amounts falling due within one year	13	(1,570,702)	(1,419,231)
Net current assets		2,908,998	2,394,970
Total assets less current liabilities		52,920,448	52,663,948
Creditors; amounts falling due after more than one year	14	(22,798,056)	(23,322,652)
Provisions for liabilities			
Pension – defined benefit liability	16	(323,313)	(529,957)
Total net assets		29,799,079	28,811,339
Reserves			
Revaluation reserve		8,379,472	8,822,345
Revenue reserve		21,419,07	19,988,994
Total Reserves		29,799,079	28,811,339

Company registration number 3333405.

The financial statements on pages 27 to 50, were approved and authorised for issue by the Board on 18 September 2025 and were signed on its behalf by:



S Wilson – Chair



S Shaw – Company Secretary

Statement of Changes in Reserves

	Revenue Reserve £	Revaluation Reserve £	Total £
Balance at 31 March 2023	19,484,730	9,121,345	28,606,075
Surplus 2023/24	205,264	-	205,264
Transfer between reserves (excess depreciation)	299,000	(299,000)	-
Balance at 31 March 2024	19,988,994	8,822,345	28,811,339
Surplus 2024/25	1,017,614	-	1,017,614
Transfer between reserves (excess depreciation)	413,000	(413,000)	-
RTA Property Disposals	-	(29,874)	(29,874)
Balance at 31 March 2025	21,419,608	8,379,471	29,799,079

Statement of Cash Flows

	Note	Year ended 31 March 2025 £	Year ended 31 March 2024 £
Net cash generated from operating activities (see below)		2,211,046	1,276,700
Cash flow from investing activities			
Purchase of tangible fixed assets		(1,196,200)	(898,583)
Proceeds from sale fixed assets		530,000	135,750
Interest received		39,935	12,601
Cash flow from investing activities		(626,265)	(750,232)
Cash flow from financing activities			
Interest paid		(483,329)	(514,411)
Repayment of borrowing		(483,010)	(469,027)
Subtotal		(966,339)	(983,438)
Net change in cash and cash equivalents		618,442	(456,970)
Cash and cash equivalents at beginning of the year		3,254,795	3,711,765
Cash and cash equivalents at end of the year	12	3,873,237	3,254,795
Cash flow from operating activities			
Surplus before taxation		914,614	342,761
Adjustments for non-cash items:			
Depreciation of tangible fixed assets		1,077,914	1,059,459
Movement in bad debt provision		(41,235)	11,049
Movement in trade and other debtors		(5,823)	(128,622)
Movement in trade and other creditors		167,215	(311,604)
Pension costs less contributions payable		(126,643)	(124,020)
Adjustments for investing or financing activities:			
Surplus from the sale of tangible fixed assets		(155,439)	(9,590)
Government grants utilised in the year		(68,249)	(68,899)
Interest payable		483,329	514,411
Interest received		(34,637)	(8,244)
Net cash generated from operating activities		2,211,046	1,276,701
Reconciliation of Net Debt	At the Beginning of the Year	Cashflows	At the End of the Year
	£	£	£
Cash and Cash Equivalents	3,254,795	618,441	3,873,236
Housing Loans Due in 1 Year	(483,011)	(12,342)	(495,353)
Housing Loans Due After 1 Year	(16,797,431)	490,064	(16,307,367)
	(14,025,647)	1,096,163	(12,929,484)

Notes to the Financial Statements

Legal Status

Empowering People Inspiring Communities Limited is incorporated under the Companies Act 2006 as a company limited by guarantee without share capital and is registered with the Regulator of Social Housing in England as a Private Registered Provider as defined by the Housing and Regeneration Act 2008 and the Charity Commission.

Principle Accounting Policies

(a) Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018. The Association is a Public Benefit Entity and has applied the Public Benefit Entity Section of FRS102.

The financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The accounts are prepared on the historical cost basis and are presented in sterling for the year ended 31 March 2025.

The financial statements have been prepared in compliance with FRS102.

(b) Going concern

The Association's financial statements have been prepared on a going-concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

(c) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- **Categorisation of housing properties**

The Association has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Association has considered if the asset is held for social benefit or to earn commercial rentals. The Association has determined that all property is held for social benefit.

- **Impairment**

Impairment is recognised where the carrying value of a cash-generating unit exceeds the higher of the net realisable value or its value in use. The Association has identified a cash-generating unit for impairment assessment purposes at a property unit level.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash-generating unit is recognised by a charge to the Statement of Comprehensive Income.

Notes to the Financial Statements

Principle Accounting Policies (continued)

Following a trigger for impairment, impairment tests are performed based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash-generating units (properties) or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Association as the existing property.

The cash flows are derived from the Long-Term Financial Plan and do not include restructuring activities that the association is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Following the assessment of impairment, no impairment losses were identified in the reporting period.

- **Development expenditure**

The Association capitalises development expenditure in accordance with the accounting policy described on page 34. Initial capitalisation of costs is based on management's judgement that the development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

- **Pension and other post-employment benefits**

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high-quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in note 16.

Notes to the Financial Statements

Principle Accounting Policies (continued)

(d) Other key sources of estimation and assumptions

Tangible Fixed Assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

(e) Turnover and revenue recognition

Turnover represents rental income receivable, amortised capital grant, revenue grants from local authorities and for its investment function Homes England, and other income and are recognised in relation to the period when the goods or services have been supplied.

Rental income is recognised when the property is available for letting and is presented net of voids.

(f) Service charges

Service charge income and costs are recognised on an accruals basis. The Association operates both fixed and variable service charges on a scheme-by-scheme basis in full consultation with residents. Where variable service charges are used, the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required a provision may be built up over the years, in consultation with the residents; until these costs are incurred this liability is held in the Statement of Financial Position within long-term creditors.

(g) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

- **Loan finance issue costs**

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

(h) Taxation

The Association gained charitable status on 2 April 2008 and therefore its general activities fall outside the scope of the United Kingdom Taxation legislation. The Association is not registered for VAT purposes.

Notes to the Financial Statements

Principle Accounting Policies (continued)

(i) Housing properties

Tangible fixed assets are stated at deemed cost or cost, less accumulated depreciation. The Association has elected to use a previous GAAP valuation of the housing properties as deemed cost on transition to FRS102.

All properties and land are freehold. Freehold land held for development is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UEs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UEs for identified components are as follows:

	Years
Housing Structure	100
Roof	60
Windows	25
Bathrooms	30
Kitchens	20
Boilers	15
Heating Distribution Systems	30
Electrical Rewires	30
Solar panels	25
Composite Doors	30

Other Tangible Fixed Assets, de-minimis for capitalisation is £2,000.

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives which are as follows:

	Years
Freehold Offices	50
Office furniture	10
Office equipment	4
Tools and equipment	2
Computer equipment	2-5

The Association has elected to use a previous GAAP valuation of the freehold offices as deemed cost at transition to FRS102 in 2016.

(j) Capitalisation of interest and administration costs

No interest or administration costs are capitalised. There is potential to capitalise administration costs if directly attributable to development.

(k) Property managed by other parties

Where the Association carries the majority of the financial risk on property managed by other parties, income arising from the property is included in the Statement of Comprehensive Income.

The assets and associated liabilities are included in the Association's Statement of Financial Position.

Notes to the Financial Statements

Principle Accounting Policies (continued)

(l) Leasing

Payments for operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

(m) Investments

Investments held in subsidiaries are stated at cost less accumulated impairment and are included in fixed assets. Current asset investments include cash and cash equivalents invested for periods of more than 24 hours. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the statement of comprehensive income.

(n) Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

(o) Non-government grants

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as turnover.

(p) Social housing grant and government grants

Where acquisitions have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in turnover over the estimated useful life of the associated asset structure (not land), under the accruals model.

SHG must be recycled under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

(q) Non-monetary government grant

On disposal of assets for which non-monetary government grants are held as liabilities in the Statement of Financial Position, the unamortised amount in creditors is amended and included as income in the Statement of Comprehensive Income.

(r) Recycling of capital grant

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until used to fund the acquisition of new properties, where recycled grant is known to be repayable it is shown as a creditor within one year.

(s) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Notes to the Financial Statements

Principle Accounting Policies (continued)

(t) Retirement benefits

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

The Association participates in the Social Housing Pension Scheme ('SHPS'), a defined benefit multi-employer pension scheme, and defined contribution scheme administered by TPT Retirement Solutions ('TPT').

The deficit payments related to the Defined Benefit, final salary scheme is charged as a management expense, in line with the SHPS deficit repayment plan.

(u) Reserves policy

The Association is able to freely utilise the revenue reserves to further its objectives. In line with our approved Business Plan, we are currently utilising our reserves for improving our existing stock. When reviewing any opportunities, we need to ensure that whilst fulfilling the Association's objectives and aims that they are also financially viable in the longer term.

(v) Financial instruments

All loans held by the Association are classified as basic financial instruments in accordance with FRS 102. They are measured at transaction price plus transaction costs initially; and subsequently at amortised cost using the effective interest rate method. Loans repayable within one year are not discounted.

Financial Assets

Trade and Other Debtors

Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment loss.

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

Financial Liabilities

Trade and Other Creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price less any amounts settled.

All loans held by the Association are classified as basic financial instruments in accordance with FRS102.

Notes to the Financial Statements

1 Turnover, cost of sales, operating expenditure and operating surplus

2025

	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£	£	£	£
Social housing lettings (note 2)	6,746,843	-	5,515,975	1,230,868
Activities other than social housing	4,992	-	4,992	-
Total	6,751,835	-	5,520,967	1,230,868

2024

	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£	£	£	£
Social housing lettings (note 2)	6,160,857	-	5,318,182	842,675
Activities other than social housing	9,963	-	9,963	-
Total	6,170,820	-	5,328,145	842,675

Notes to the Financial Statements

2 Turnover and operating expenditure

	2025	2024
	£	Restated £
Income		
Rent receivable net of identifiable service charges	6,502,989	5,936,559
Service charges income	175,605	155,398
Net rental income	6,678,594	6,091,957
Amortised government grants (Note 15)	68,249	68,899
Turnover from social housing lettings	6,746,843	6,160,856
Operating expenditure		
Management	1,917,089	1,603,617
Service charge costs	195,264	193,900
Routine maintenance	1,715,516	1,754,765
Planned maintenance	63,599	-
Major repairs expenditure	520,307	659,085
Movement in Bad debt provision	36,007	59,954
Depreciation of housing properties	1,068,193	1,046,860
Operating expenditure on social housing lettings	5,515,975	5,318,181
Operating surplus from social housing lettings	1,230,868	842,675
Activities other than social housing lettings		
Sundry Income	4,992	9,963
Sundry Expenditure	4,992	9,963
Operating surplus from activities other than social housing lettings		-
Total operating surplus	1,230,868	842,675
Void rental losses	37,279	32,442

3 Accommodation owned, managed and in development

	No. of properties		No. of properties	
	Owned	Managed	Owned	Managed
	2025	2025	2024	2024
Social Housing				
Under Management at the end of the year:				
General needs housing – Social Rent	1,098	-	1,100	-
– Affordable Rent	209	-	187	-
– Intermediate	47	-	73	-
– Leasehold	26	-	24	-
– Shared Ownership	2	-	2	-
Supported Housing	19	-	20	-
Total Owned and Managed	1,401	-	1,406	-
General needs housing – In development	-	-	-	-
Total in development	-	-	-	-
Total owned, managed & in development	1,401	-	1,406	-

Notes to the Financial Statements

4 Accommodation managed by others

EPIC owns property managed by other bodies.

General needs – Social Rent

No of properties 2025	No of properties 2024
19	20

5 Interest and financing costs

	2025	2024
	£	£
Deferred benefit pension charge	23,000	21,499
Amortisation of Loan arrangement fees	13,004	13,004
Other financing costs	5,034	20
Loan interest payable	465,291	479,888
	506,329	514,411

6 Surplus on ordinary activities

	2025	2024
	£	£
The operating surplus is stated after charging/(crediting):		
Annual audit of the Association's financial statements	27,600	23,201
Fees payable to the auditor for other services to the Association:		
Taxation compliance services	-	-
Operating lease rentals – Office equipment	5,637	1,498
Depreciation of housing properties	1,068,193	1,046,860
Depreciation of other fixed assets	9,722	12,600
Amortisation of grant	(68,249)	(68,899)

Notes to the Financial Statements

7 Key Management Personnel

The Non- Executive Board Trustees received emoluments in the year to 31 March 2025 totalling £33,229 (2024 - £34,400). These were paid as shown below:

		Emoluments	Expenses	Total
		£	£	£
R Emery		2,500	353	2,853
R Challinor		2,500	-	2,500
S Wilson	Chair of Board	5,000	151	5,151
N Leggett		2,500	504	3,004
M Dodwell	Chair of ARAC	3,500	911	4,411
J Moore	Chair of GRC	3,500	349	3,849
D Newmarch		2,500	-	2,500
C Small	Resigned September 2024	1,250	59	1,309
A Jhavar		2,500	152	2,652
A Bragg		2,500	-	2,500
R Morton		2,500	-	2,500
		30,750	2,479	33,229

	2025	2024
	£	£
The aggregate emoluments paid to or receivable by trustees and the executive management team	380,665	418,503
The pension contributions paid to the key management personnel	16,663	18,439
The emoluments paid to the highest-paid Director excluding pension contributions	95,400	95,354

The Chief Executive is an ordinary member of the pension scheme. The pension scheme offered from May 2016 was a defined contribution scheme funded by annual contributions by the employer and employee. No enhanced or special terms apply. There are no additional pension arrangements. A contribution by EPIC of £4,770 (2024: £4,767) was paid in addition to the personal contributions of the Chief Executive.

Key Management Personnel are defined as the trustees of the Board and Executive Team.

In line with the Transparency, Influence and Accountability Standard of the Regulator of Social Housing we are required to report on the aggregate amount of remuneration paid (including NI and pension) to Key Management Personnel, (including the Executive Team) relative to the size of the landlord. We calculate this to be £421,215 divided by the number of units owned of 1,375 (excluding leaseholders), which equates to £306 per unit.

The RSH also requires us to report on the highest paid Director, (excluding pension and NI costs), relative to the number of units. We calculate this to be £69 per unit, with the calculation of £95,400 divided by 1,375 units.

Notes to the Financial Statements

8 Employee information

	2025 No.	2024 No.
The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:		
Office staff	32	27
Wardens, caretakers and cleaners	1	1
Total employees	33	28
	£	£
Staff costs		
Wages and salaries	1,434,117	1,205,766
Social security costs	149,020	118,937
Other pension costs (Defined benefit & defined contribution)	80,064	68,189
Total Employee Costs	1,663,201	1,392,892
	No.	No.
Aggregate number of full-time equivalent staff whose remuneration exceeded £60,000 in the year		
£60,001 to £70,000	4	3
£70,001 to £80,000	-	-
£80,001 to £90,000	-	1
£90,001 to £100,000	1	-
£110,001 to £120,000	-	1
	2025	2024
Remuneration payable to the highest paid Director	95,400	95,354

Notes to the Financial Statements

9 Tangible fixed assets

	Social Housing Properties Completed £	Social Housing Properties Not Completed £	Land £	Freehold offices £	Office Furniture and equipmen t £	Total £
Cost or valuation						
At 31.3.24	60,297,694	-	50,000	188,046	535,692	61,071,432
Revaluation	-	-	-	-	-	-
Additions						
Properties	-	-	-	-	30,056	30,056
Additions						
Components	1,166,145	-	-	-	-	1,166,145
Component						
Replacements	(275,406)	-	-	-	-	(275,406)
Property						
Disposals	(428,622)	-	-	-	-	(428,622)
OFA Disposals	-	-	-	-	(158,319)	(158,319)
At 31.3.25	60,759,811	-	50,000	188,046	407,429	61,405,286
Depreciation / impairment						
At 31.3.24	10,263,937	-	-	25,213	513,305	10,802,455
Charge for year	1,068,193	-	-	3,514	6,208	1,077,915
Components replaced	(275,405)	-	-	-	-	(275,405)
Property Disposals	(52,809)	-	-	-	-	(52,809)
OFA Disposals	-	-	-	-	(158,319)	(158,319)
At 31.3.25	11,003,916	-	-	28,727	361,194	11,393,837
NBV 31.3.25	49,755,895	-	50,000	159,319	46,235	50,011,449
NBV 31.3.24	50,033,757	-	50,000	162,833	22,387	50,268,977
					2025	2024
					£	£
Components capitalised					1,166,145	826,435
Amounts charged to expenditure					520,307	659,084

Notes to the Financial Statements

10 Fixed asset investments

	2025	2024
	£	£
At 31.3.24	1	1
Additions in the year	-	-
At 31.3.25	1	1
Net book value 31.3.25	1	1
Net book value 31.3.24	1	1

The Company owns 100% of the issued share capital of EPIC Regeneration Services Limited, a company incorporated in England and Wales. This Company has aggregate capital and reserves of £1 and has been dormant since incorporation.

Under the provision of section 399 of the Companies Act 2006 the Association is exempt from preparing consolidated accounts and has not done so. Therefore, these accounts show information about the Association as an individual entity.

11 Trade and other debtors

	2025	2024
	£	£
Rent arrears	222,681	287,686
Less: provision for bad debts	(178,461)	(229,639)
Other debtors	229,929	173,158
Prepayments and accrued income	332,314	328,201
Total	606,463	559,406

All debtors are due within one year.

12 Cash and cash equivalents

	2025	2024
	£	£
Investments	2,453,232	439,363
Cash at bank and in hand	1,420,005	2,815,432
Total	3,873,237	3,254,795

Included in the above is £116,339 (2024: £111,108) held in trust for Leaseholders.

Notes to the Financial Statements

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	54,530	243,336
Deferred capital grant (Note 15)	68,249	68,899
Rents and service charges paid in advance	265,242	196,356
Service charge balances held on behalf of leaseholders	116,339	111,108
Accruals and deferred income	571,080	315,745
Loans	495,353	483,011
Other creditors	(91)	776
Total	1,570,702	1,419,231

Loans are secured by housing properties, see note 23.

14 Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Deferred Capital Grant (Note 15)	6,223,506	6,356,106
Loans	16,307,367	16,797,431
Recycled Capital Grant Fund	267,183	169,115
Total	22,798,056	23,322,652

Loans are secured by housing properties, see note 23.

15 Deferred capital grant

	2025	2024
	£	£
At 31.3.24	6,425,004	6,467,101
Grant transferred from RCGF	-	49,302
Grant transferred Re Property Disposals	(65,000)	(27,500)
Amortised in the year	(68,249)	(68,899)
At 31.3.25	6,291,755	6,425,004
Amount due to be released in less than 1 year	68,249	68,899
Amount due to be released after 1 year	6,223,506	6,356,105
Total	6,291,755	6,425,004

16 Provision For Liabilities – Social housing pension scheme

The Association participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 400 non-associated employers. The Scheme is a defined benefit scheme in the UK and administered by TPT Retirement Solutions.

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 £636m (£1,560m 2020). A Recovery Plan remains in place with the aim of recovering this deficit by 31 March 2028.

Notes to the Financial Statements

16 Provision for Liabilities – Social housing pension scheme (continued)

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. The Pensions Trust has estimated cost for EPIC withdrawing from the scheme as at 30 September 2024 is £1,024,460.

Fair value plan of assets, present value of defined benefit obligation and defined benefit asset/(liability)

	2025	2024
	£'000	£'000
Fair value of plan assets	2,211	2,217
Present value of defined benefit obligation	2,534	2,747
(Deficit)/surplus in plan	(323)	(530)
Defined benefit (liability)/asset to be recognised	(323)	(530)

Reconciliation of opening and closing balances of the defined benefit obligation

	2025	2024
	£'000	£'000
Defined benefit obligation at start of period	2,747	2,740
Expenses	4	4
Interest expense	134	132
Actuarial losses (gains) due to scheme experience	116	(26)
Actuarial losses (gains) due to changes in demographic assumptions	-	(25)
Actuarial losses (gains) due to changes in financial assumptions	(435)	(57)
Benefits paid and expenses	(32)	(21)
Defined benefit obligation at end of period	2,534	2,747

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

	2025	2024
	£'000	£'000
Fair value of plan assets at start of period	2,217	2,249
Interest income	111	111
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	(216)	(245)
Employer contributions	131	123
Benefits paid and expenses	(32)	(21)
Fair value of plan assets at end of period	2,211	2,217

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2024 to 31 March 2025 was (£105,000).

Notes to the Financial Statements

16 Provision for Liabilities – Social housing pension scheme (continued)

Defined benefit costs recognised in the statement of comprehensive income (SOCI)

	2025	2024
	£'000	£'000
Expenses	4	4
Net interest expense	23	21
Defined benefit costs recognised in Statement of Comprehensive Income (SOCI)	27	25

Defined benefit costs recognised in other comprehensive income (OCI)

	2025	2024
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	(216)	(245)
Experience gains and losses arising on the plan liabilities – gain (loss)	(116)	26
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain (loss)	-	25
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	435	57
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain (loss)	103	(137)
Total amount recognised in Other Comprehensive Income – gain (loss)	103	(137)

Notes to the Financial Statements

Assets

	2025	2024
	£'000	£'000
Global Equity	248	221
Absolute Return	-	87
Distressed Opportunities	-	78
Credit Relative Value	-	73
Alternative Risk Premia	-	70
Liquid Alternatives	410	-
Emerging Markets Debt	-	29
Risk Sharing	-	130
Insurance-Linked Securities	7	11
Property	111	89
Infrastructure	-	224
Private Equity	2	2
Real Assets	265	-
Private Debt	-	87
Opportunistic Illiquid Credit	-	87
Private Credit	270	-
Credit	84	-
Investment Grade Credit	68	-
High Yield	-	-
Cash	30	44
Long Lease Property	1	14
Secured Income	37	66
Liability Driven Investment	669	902
Currency Hedging	4	(1)
Net Current Assets	5	4
 Total assets	 2,211	 2,217

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

Key Assumptions

	2025	2024
	% per annum	% per annum
Discount Rate	5.92%	4.92%
Inflation (RPI)	3.05%	3.09%
Inflation (CPI)	2.80%	2.79%
Salary Growth	3.80%	3.79%
	75% of	75% of
Allowance for commutation of pension for cash at retirement	maximum allowance	maximum allowance

Notes to the Financial Statements

16 Provision for Liabilities – Social housing pension scheme (continued)

Key Assumptions (continued)

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

	2025 Life expectancy at age 65 Years	2024 Life expectancy at age 65 Years
Male retiring in 2025	20.5	20.5
Female retiring in 2025	23.0	23.0
Male retiring in 2045	21.7	21.8
Female retiring in 2045	24.5	24.4

17 Capital commitments

The table below shows the financial implications and sources of funding to deliver the signed contracts.

	2025 £	2024 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	-
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	-
Capital commitment	-	-
EPIC expects these commitments to be financed with:		
Triodos loan facilities	-	-
Social housing grant (in line with spend)	-	-
Internally generated resources (revenue reserve)	-	-
Total	-	-

18 Contingent liability

In respect to the defined benefit Social Housing Pension Scheme, we were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes to the Scheme's benefits over the years, and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with the Court's determination expected no earlier than Summer 2025. It is estimated that this could potentially increase the value of the full scheme by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply, therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

19 Grant and financial assistance

	2025 £	2024 £
Total accumulated SHG received or receivable at 31 March:		
Held as deferred capital grant	6,824,916	6,889,916
Total	6,824,916	6,889,916

Notes to the Financial Statements

19 Grant and financial assistance (continued)

In addition to the grant above which is accounted for within the accounts we also have a potential liability of £2.69m of grant transferred from other Registered Providers as part of the property acquisition of 169 units from the Bromford Group in May 2021.

20 Related parties

As at March 2025, the Board has no Tenant Board trustees and there were no related party transactions during the year to 31 March 2025. We have no staff representative on the Board, but four staff members are also tenants of EPIC, all under normal rental policies, the same as any other tenant.

21 Surplus on disposal

The surplus on disposal of properties in the year is a consequence of six property sales during 2024-25. Of these, 2 were flats sold via the Right To Acquire (RTA) scheme and the tenants have become leaseholders, 2 were houses, previously let at affordable rents, also sold via the RTA scheme, 1 was a house, let at an intermediate rent and sold via the Rent To Buy scheme, and the remaining property, on becoming vacant and being unlikely to meet Net Zero, was sold at our discretion on the open market under the Stock Rationalisation Policy.

	2025 £	2024 £
Sale Proceeds	530,000	135,750
Less:		
Associated selling fees	(8,840)	(3,336)
Write off cost (NBV)	(365,722)	(126,160)
Surplus on disposal	155,438	6,254

22 Recycled capital grant fund

	2025	2024
		£
Opening balance of fund	169,115	191,560
Inputs/Withdrawals	92,770	(26,801)
Interest Accrued	5,297	4,356
At 31.3.25	267,182	169,115

Included within the RCGF balance is £108,116 is potentially repayable within 1 year. Homes England have approved 4 business cases that exhaust the full RCGF provision outstanding at 31 March 2025.

23 Loans

At the financial year end, EPIC had drawn down a total of £19.3m. The loans are secured against EPIC's stock, over a 25-year term, and are on a fixed-interest basis.

	2025 £	2024 £
Maturity of debt		
In less than one year	495,353	483,011
In more than one year but less than two years	707,611	495,353
In more than two years but less than five years	2,242,039	2,181,876
In greater than five years	13,357,718	14,120,202
Total	16,802,721	17,280,442

Notes to the Financial Statements

24 Interest rate risk and exposure

As at 31 March 2025 the following amounts were drawn down and had been fixed on 20 March 2020:

Facility 1 – £4,533,576.98 – 2.553% – Fixed until 20/03/2030

Facility 2 – £3,821,496.49 – 2.653% – Fixed until 20/03/2030

The additional drawdown of £10.3m in April 2021 was also fixed for a period of 10 years:

Facility 3 – £5,000,000 – 2.779% – Fixed until 21/04/2031

Facility 4 – £5,300,000 – 2.879% – Fixed until 21/04/2031 (Interest only until April 2026)

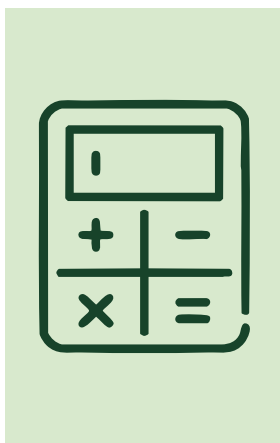
EPIC Treasury Management Policy sets out that when looking at any aspect of interest rate exposure, it is important to remember that overall interest rate risk management is about reducing risk and increasing certainty. It is not about best guessing or predicting the way interest rates will move.

Any sensitivity analysis will be applied to all variable-rate borrowing and to any fixed-term borrowing after its maturity date, using market forecast rates.

The Board must approve the use of hedging instruments subject to the Rules of the Association and the regulators guidelines/approval. In such cases a hedging strategy must be prepared and appended to the Treasury Management Policy, which must state the type of instruments to be used, the value limits, the counterparties involved and the periods for which they will be in place.

25 Post balance sheet events

There are no Post Balance Sheet Events of any significance to report.



Notes

[illegible]

Notes

[illegible]



"So pleasing to see EPIC continue to build financial resilience as a key foundation to our ambitions within the Corporate Plan. These foundations will help us focus on our tenants, their homes, their communities, our people and working in partnership."

Simon Wilson, Chair

If you have any queries in respect of this report, please contact:

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epic
Empowering People,
Inspiring Communities