

Annual Report & Financial Statements

For the year ended
31 March 2026



Together with our
communities, we create
affordable homes and
great neighbourhoods

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**Eastlight resident, Charlea Norris
and family outside their home.**

Board Members, Executive Directors, Advisors & Bankers



Eastlight Board & Committees

The Board Members who served from 1 April 2025 to 31 March 2026 were as follows:

Chair

Hattie Llewelyn-Davies (Deceased 23 May 2026)

Chris Cheshire (Interim Chair, Appointed 27 May 2026)

Senior Independent Director

Gail Shadlock (Appointed 30 September 2025)

Kay Vowles (Resigned, 30 September 2025)

Other Board Members

Argiri Papathos (Appointed 01 May 2025)

Amandeep Singh Kalra

Catherine Turner

Cha Patel (Resigned 30 September 2025)

David Biggs (Appointed 01 May 2025)

David Russell (Resigned 30 September 2025)

Emma Palmer (Executive Board Member, Appointed 01 September 2025,
Resigned 24 June 2026)

Mike Johnson (Resigned 30 September 2025)

Phil Holland (Appointed 01 December 2025)

Simon Jones

Trainee Board Member

Steve Bentall (Resigned 01 May 2025)

Magenta Lavey (Appointed 01 October 2025)

Committee Members

Customer Influence Committee (CIC)

Catherine Turner (Chair)

Amandeep Singh Kalra

Cedric Salvadorai (Independent Committee Member)

Craig Clackett (Independent Committee Member)

Joanna Jones (Independent Committee Member, Appointed 01 October 2025)

Julie Parker (Independent Committee Member, Appointed 01 October 2025)

Magenta Lavey (Independent Committee Member)

Michael Ryan (Independent Committee Member)

Paul Hocker (Independent Committee Member)

Runyararo Garande (Independent Committee Member)

Steve Bentall (Resigned 01 May 2025 and Appointed 01 June 2025)

Finance & Treasury Committee (F&T)

David Biggs (Appointed 01 May 2025) (Chair, Appointed 01 December 2025)
Simon Jones (Chair, Resigned 01 December 2025)
Alex Gipson (Resigned 31 May 2025)
Cha Patel (Resigned 30 September 2025)
Chris Cheshire (Appointed 01 December 2025)
Mike Johnson (Resigned 30 September 2025)
Paul Hocker (CIC Associate)

Development & Asset Management Committee (DAM)

Chris Cheshire (Chair, Appointed 01 December 2025)
Mike Johnson (Chair, Resigned 30 September 2025)
Amandeep Singh Kalra
Catherine Turner
David Biggs (Appointed 01 December 2025)

Governance & People Committee (G&P)

Kay Vowles (Chair)
Argiri Papathos (Appointed 01 May 2025)
Chris Cheshire (Resigned 01 December 2025)
David Russell (Resigned 30 September 2025)
Gail Shadlock
Magenta Lavey (CIC Associate)
Phil Holland (Appointed 01 December 2025)
Steve Bentall (Resigned 01 May 2025)

Audit & Risk Committee (ARC)

Simon Jones (Chair)
Argiri Papathos (Appointed 01 May 2025)
Cha Patel (Resigned 30 September 2025)
David Biggs (Appointed 01 May 2025, Resigned 01 December 2025)
David Russell (Resigned 30 September 2025)
Gail Shadlock
Kay Vowles (Resigned 01 December 2025)
Michael Ryan (CIC Associate)
Phil Holland (Appointed 01 December 2025)



Eastlight Chief Officers

The Chief Executive is an Executive Board Member. The Chief Officers hold no interest in the Association's shares and act as executives within the authority delegated by the Board. On the 30 January 2026 all Executive Officers had their job titles changed to Chief Officers as listed below:

Chief Executive

Emma Palmer (Resigned 24 June 2026)

Chief Information Officer

Dan Jones (Interim Chief Executive Officer, Appointed 11 June 2026)

Chief Customer Officer

David Lockerman (Appointed 01 June 2026)

Chief Information Officer (Interim)

Amit Patel (Appointed 16 July 2026)

Chief Financial Officer

David Mullen

Chief People Officer

Sharon Ault

Chief Property Officer

Charlotte Todd

Chief Strategy, Governance & Assurance Officer

Joanna Barrett

Company Secretary

Harriet Rushton

.....

Registered Office

Eastlight House
Charter Way
Braintree, Essex
CM77 8FG

External Auditor

Menzies LLP, 4th Floor, 95 Gresham St, City of London, London EC2V 7AB

Principal Solicitors

Trowers & Hamlins LLP, Devonshires LLP

Principal Bankers

Lloyds Bank plc, Barclays Bank plc

Chair's Statement



Chris Cheshire

Interim Chair

On behalf of the Eastlight Community Homes Board, I am pleased to present our Annual Report and Financial Statements for 2025–26.

During the reporting period, Hattie Llewelyn-Davies served as Chair of Eastlight Community Homes. It is with great sadness that we announce her passing on 23 May 2026.

Hattie played a pivotal role in shaping Eastlight, as Chair of Colne Housing, she led the merger with Greenfields Community Housing in 2020 to create Eastlight and was a passionate and determined advocate for resident voice. Her influence can be seen across our organisation, from our resident-led approach to the creation of the Customer Influence Committee and, most recently, the introduction of the Resident Members Charter.

Hattie believed wholeheartedly in the Eastlight team, and the difference colleagues make for residents every day. Her leadership and legacy will continue to guide the organisation.

This has been a significant and defining year for Eastlight – one in which we have delivered at scale, responded to a complex and evolving environment, and taken decisive steps to reshape how we operate. It has been a year of progress, challenge and change, and one that will have a lasting impact on how we serve our residents and communities.

The need for our work has never been greater. More than 1.3 million households remain on housing waiting lists across England, with thousands locally in need of a safe, affordable home. Against this backdrop, our role is both critical and growing, and we are determined to meet that responsibility with clarity, discipline and ambition.

During the year, we have continued to deliver against this need. We completed 341 new homes, exceeding our target, and are about to deliver our 2,000th home since Eastlight was formed. Alongside new development, we have invested significantly in the quality, safety and sustainability of our existing homes. This balance – between building new homes and improving the ones we already own – is fundamental to delivering long-term value for residents.

Central to our progress this year has been the introduction of our place-based operating model through My Eastlight Team. This represents a fundamental shift in how we deliver services – bringing them closer to the residents living in our 14,909 homes, strengthening local accountability and improving how quickly and effectively we respond. While still embedding, this change is already making a difference and will continue to shape how residents experience our services.

We have also taken an important step forward in how residents influence Eastlight's future. The introduction of our Resident Members Charter builds on our long-standing commitment to resident involvement and goes further by embedding it formally within our governance and constitution. Being resident-led is not an aspiration, it is a defining part of who we are. It is written into our rules and will continue to guide how we design, deliver and improve our services.

There has been clear progress in how residents view our services, with improvements across all our Tenant Satisfaction Measures. Satisfaction with overall services, repairs and the time taken to complete repairs have all increased, with the latter showing a particularly strong rise from 69.8% to 77.3%. Repairs satisfaction has also climbed to 80.0%, while satisfaction that homes are well maintained has risen to 76.8%. We have also seen notable gains in listening to tenants and acting on their views, up from 63.8% to 69.2%, alongside a significant improvement in complaints handling, increasing from 33.0% to 41.9%. While encouraged by this progress, we are clear that further improvement is needed – particularly in complaints, communication and neighbourhood services – and we are committed to delivering that.

This year also marked an important milestone in our regulatory journey. Following our inspection, we retained our G1 and V1 gradings, confirming strong governance and financial viability, and received our first Consumer grading of C2. Following working closely with the Regulator over the last year with a defined programme of improvement in place, our C rating was re-assessed and confirmed by the Regulator as C1 on 29 July 2026. We are delighted with this outcome that confirms our commitment to ensuring we provide the highest possible service to our residents.



341
new homes
completed



80%
satisfaction with repairs
reported in the last
12 months



**G1,
V1, C1**
as of July 2026

14,909

homes owned
and managed

Financial resilience remains a key strength. In a challenging economic environment, we have taken a disciplined and forward-looking approach to financial performance – strengthening our funding position, improving the terms of our borrowing and maintaining a careful balance between investment and affordability. This has enabled us to continue investing in homes and services while protecting long-term sustainability.

At the same time, we have sharpened our focus on our core purpose. This means making deliberate choices about where we can have the greatest impact, improve efficiency and performance, and use data and technology to deliver better outcomes. It also means being honest about where we need to improve – and take action.

Almost

2,000

new homes delivered
since 2020

The progress we have made this year would not have been possible without the commitment, professionalism and resilience of our colleagues. They have continued to deliver for residents during a period of significant change, often under pressure, and with a clear determination to do the right thing. On behalf of the Board, I would like to thank every colleague for their dedication and contribution.

Looking ahead, we know the environment will remain challenging. Demand for affordable housing continues to grow, expectations are increasing, and the sector faces ongoing scrutiny and change. However, we are confident that Eastlight is well placed to respond. With a clear strategy, strong governance, financial resilience and a genuinely resident-led approach, we are building an organisation that can continue to adapt, improve and make a lasting difference.

32

neighbourhood teams
introduced

On behalf of the Board, I would also like to thank our residents, partners and stakeholders for your continued trust and support. Together, we will continue to strengthen Eastlight and deliver safe, high-quality homes and services for the communities we serve.

Strategic Report



Principal Activities

The Association is incorporated as a Registered Society under the Co-operative & Community Benefit Societies Act 2014 (Registered No: 30124R), and it is also registered with the Regulator of Social Housing in England (RSH), in accordance with the Housing & Regeneration Act 2008 (Registered No: L4499).

The Association has adopted charitable objects and is recognised as a charity by HM Revenue & Customs (Reference: EW79540). As a public benefit entity, Eastlight Community Homes Limited (hereafter “Eastlight”) has applied the public benefit entity ‘PBE’ prefixed paragraphs of FRS 102.

Eastlight was formed following the merger of Greenfields Community Housing Limited and Colne Housing Society via a transfer of engagements on 1 July 2020.

Iceni Homes Limited was a development service company providing new-build programme management services to social housing providers. Iceni became a wholly owned subsidiary of Eastlight on 1 August 2021. Iceni homes Limited was dormant in the year and officially dissolved on 9 December 2025.

Eastlight has one subsidiary, Emerald New Homes Limited, which is dormant and has not traded.

The financial statements have been prepared solely based on Eastlight’s performance.



Corporate Strategy

Eastlight Community Homes owns and manages 14,909 homes across the East of England, 60.3% of which are social homes. On 1 April 2024, it launched its Corporate Strategy 2024-2027, which superseded the previous Corporate Strategy 2021-2026. It reflects our commitment to meeting the evolving needs of residents, partners and communities amid a rapidly changing operating environment.

The introduction of the Social Housing (Regulation) Act, the Regulator of Social Housing's Consumer Standards and the challenging economic landscape reinforced our need to adapt. The strategy sets out renewed strategic priorities that support our long-term delivery plan, increase our financial resilience and continue to put residents at the centre of everything we do.

Developed in collaboration with customers, the Corporate Strategy emphasises the following principles:

- Strengthening resident engagement, acting on feedback to transform services for the better
- Focusing on the quality, safety, maintenance and delivery of new and existing Eastlight homes
- Investing more in our communities, offering place-based services that enhance resident satisfaction
- Progressing environmental sustainability goals and reducing our carbon impacts across operations
- Improving the quality of our data and boosting digital services to support long-term performance
- Working with like-minded partners who share our vision for the future of affordable housing
- Delivering value for money to remain financially resilient and achieve our strategic aims.

Eastlight continues to be a resident-led organisation with a strong balance sheet, a robust financial framework, and a commitment to support those in the greatest need for local, affordable housing solutions.

Our approach is guided by our three values: We are **Ambitious** in setting high standards and driving innovation; **Inclusive** in ensuring diverse voices shape our decisions; and **Accountable** for the quality of homes and services we provide.

Eastlight is a community gateway organisation, with residents playing a central role in shaping and scrutinising our work. This approach recognises that improving people's lives goes beyond housing alone, requiring meaningful engagement and opportunities for residents to influence decisions in ways that reflect their communities.

By having Eastlight residents represented on our Board and Committees, including the Customer Influence Committee, we embed resident insight at every level of decision-making. This strengthens our governance and helps ensure services reflect tenant needs and priorities, supported by initiatives such as the Community Gateway Circle, which brings together opportunities for involvement and creates a more connected and accessible way for residents to have their voices heard.

We have several supporting strategies, which outline clear routes to success:

- Value for Money (VfM) Strategy (2024–27)
- Technology Strategy (2024–27)
- Data Strategy (2024–27)
- Asset Management Strategy (2024–27)
- Customer Service Strategy (2024–27)
- Resident Engagement & Community Empowerment Strategy (2024–27)
- Sustainability Strategy (2022–27)
- New Homes Strategy (2021–26)
- People Strategy (2021–26).

All strategies are currently in the process of being reviewed in time for a refresh and launch in 2027/28.

Eastlight's Strategies





Operating Review

The operating environment for social housing providers remains challenging. While inflation has reduced from the peak levels seen in recent years, it remains above the Bank of England's target and continues to place pressure on households and organisations alike.

According to the Office for National Statistics, the Consumer Prices Index (CPI) rose by 3.3% in the 12 months to March 2026, up from 3.0% in February, while Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.4% over the same period.

Inflationary pressures are also being driven by specific cost increases. Motor fuels made the largest upward contribution to recent inflation movements, while services inflation remains elevated, reflecting ongoing cost pressures within the economy.

Interest rates also remain elevated relative to recent years, with the Bank of England holding its base rate at 3.75% as of March 2026, reflecting continued uncertainty and concern around inflationary persistence. These factors continue to influence borrowing costs, investment decisions and financial planning across the sector.

The Regulator of Social Housing has identified high inflation, increased borrowing costs, and rising investment requirements in repairs, building safety and decarbonisation as key risks impacting providers' financial capacity. Organisations are required to balance these competing demands alongside the delivery of new homes and compliance with strengthened regulatory expectations.

The regulatory environment has evolved significantly, with the introduction of consumer standards under the Social Housing Regulation Act bringing a more proactive approach to regulation, including routine inspections and increased expectations around transparency, tenant engagement and service quality. This places greater emphasis on assurance, data quality and the ability to evidence compliance and performance.

In response, value for money and efficiency remain central to Eastlight's approach. During the year, we have continued to strengthen our operating model to ensure we can deliver consistent, high-quality services while maintaining financial resilience.

Alongside this, we have focused on improving service outcomes for residents. Our repairs service is now consistently meeting target performance levels, and we have introduced new approaches, including place-based working and the My Eastlight Team model, to provide more responsive, locally focused support. These changes are contributing to improved resident experience and satisfaction.

Despite the ongoing challenges within the operating environment, Eastlight has made strong progress during the year. We have maintained financial stability, strengthened operational performance and continued to invest in our homes and services. This positions us well to respond to future challenges while continuing to deliver safe, sustainable homes and high-quality services for our residents.

In April 2025, Eastlight increased most rents by 2.7%, in line with government policy, which caps social housing rent increases at Consumer Price Index (CPI) inflation plus 1%, based on the previous September's CPI (2024). The decision was approved by the Board, which includes Eastlight residents.

The Board went on to approve a further rent increase of 4.8% for the 2026-27 financial year, based on the September 2025 CPI plus 1%, in line with the permitted cap.

As a not-for-profit organisation, rent income enables Eastlight to continue providing safe, affordable homes and essential services, particularly in the context of ongoing cost pressures. It also supports delivery of our Corporate Strategy, including investment in existing homes, development of new homes, and meeting the Regulator of Social Housing's Consumer Standards and Tenant Satisfaction Measures.

The Board recognises that rent increases continue to place pressure on residents, particularly against a backdrop of elevated living costs. In response, Eastlight has maintained a strong focus on delivering accessible and responsive services, including early engagement, tailored financial support and proactive tenancy sustainment activity. During 2025-26, this approach helped residents to manage their rent commitments and maintain their tenancies, with £186,162 in additional annual income secured through benefits advice (to December 2025) and 9,222 Universal Credit verifications completed to ensure housing costs are processed accurately and promptly.

Eastlight continues to work closely with a wide range of partners to deliver positive outcomes for residents and communities, including leasing office space in Braintree to Provide CIC, a not-for-profit organisation delivering local health and social care services. Through established partnerships with local authorities, community safety partnerships, police, domestic abuse services, NHS and mental health providers, and other agencies, Eastlight provides coordinated, place-based support. This enabled targeted interventions during the year, including 359 fuel vouchers, 69 household support vouchers and 630 food bank vouchers, alongside tenancy support for 300 residents and welfare support for 310 residents.

310

residents received
welfare support

630

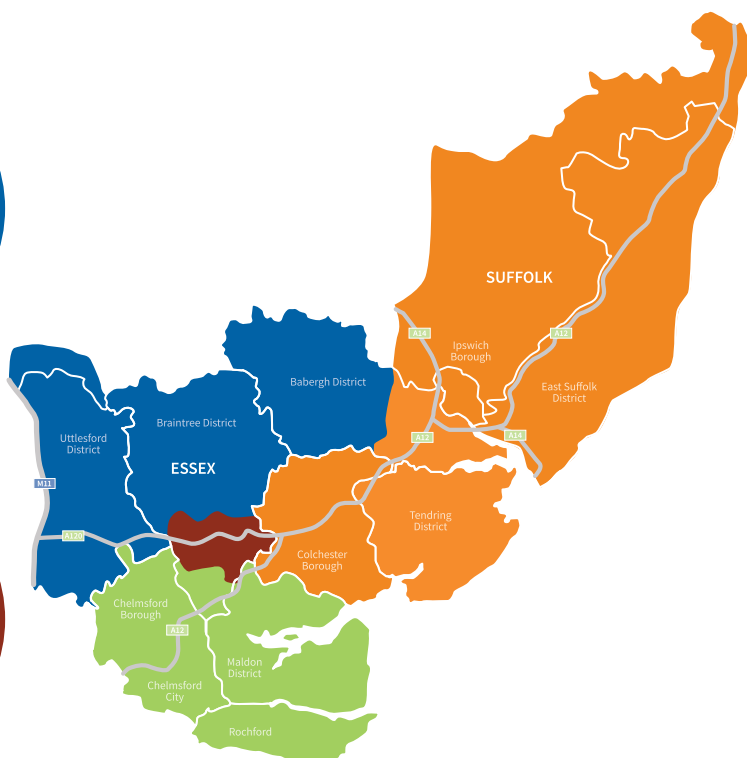
food bank
vouchers issued

91.3%

first-time resolution
rate to customer calls
and emails

Eastlight operates 32 neighbourhood teams across four regions, with each resident supported by a dedicated neighbourhood lead acting as a single, consistent point of contact. Working closely with local partners, neighbourhood leads provide day-to-day housing, tenancy and community support, helping to resolve issues quickly and build trusted relationships. This locally focused model is reinforced by in-house specialist teams, including Intensive Housing Support, Income, Healthy Homes, Customer Services, Leasehold, and Empty Homes and Allocations, which provide specialist support for residents with more complex needs and circumstances.

During the year, 230 new domestic abuse cases were reported, with 144 households supported to resolution, alongside 583 safeguarding cases raised and 428 resolved. Eastlight also responded to 1,443 reports of anti-social behaviour, resolving 1,092 cases across a range of categories. Supported by high-performing customer services – handling 109,310 calls and 31,842 emails with a 91.3% first-time resolution rate – this model enables Eastlight to deliver responsive, value-for-money services while supporting residents to sustain their tenancies and maintain safe, stable homes. This is further strengthened by the 360 Platform, a shared digital system that brings together Eastlight's residents and services in one place, giving colleagues a complete view of each household's needs and enabling more joined-up, efficient and place based service delivery across neighbourhoods.





Repairs

Eastlight's in-house Home Solutions Team continues to provide a single, integrated repairs service for residents. During 2025-26, performance improved, with the first-time fix rate increasing to 87.13% and an average wait time of 17.6 days for scheduled repairs. A total of 84.04% of responsive repairs were completed within target timescales, comprising 5,288 emergency repairs (17.3%), 4,235 urgent repairs (13.9%), 18,757 routine repairs (61.4%) and 2,284 planned works (7.4%). Despite continued seasonal peaks in demand, particularly during winter months, the service remained stable through a flexible operating model, enabling resources to be deployed to areas of highest need.

As part of our commitment to delivering a clear and consistent service, the Repairs Pledge continued to provide residents and colleagues with defined expectations on repair timescales, communication and service standards.

Operational improvements during the year have also focused on customer experience and efficiency, including ringfenced scheduling capacity for overdue or high-risk jobs, strengthened resident scrutiny arrangements and ongoing engagement with customer representatives. Investment in technology has supported further gains, including enhanced mobile systems, AI-enabled triaging tools to improve first-time fix outcomes, drone surveys to reduce costs and disruption, and trials of intelligent diagnostic software.

Since October 2025, Eastlight has procured materials through a managed service partnership with Travis Perkins. This supports a more consistent, efficient and sustainable approach to materials supply. Through this arrangement, there is an increased emphasis on responsible sourcing and reducing environmental impact, including the greater use of certified timber, wider availability of Environmental Product Declarations (EPDs) and the adoption of lower-carbon materials where possible. A high proportion of timber supplied is sourced from certified sustainable forests, and ongoing work with the supply chain is strengthening visibility of product sustainability and expanding the use of lower-carbon construction materials. Operational improvements within the supply chain, including reduced packaging and the use of alternative fuels such as hydrotreated vegetable oil, are also supporting wider sustainability objectives.

100%
of Category 1 damp
and mould cases
on time

Across our development programme, sustainability and design quality continue to be guided by Eastlight's Development Design Guide, which sets out the principles for the design, construction and long-term management of new homes. This ensures that homes delivered directly by Eastlight meet consistent standards for quality, performance and usability. Majority of our development programme is delivered through Section 106 agreements, where delivery responsibility sits with developers; however, we continue to influence outcomes through design standards and ongoing engagement to ensure homes meet our expectations.

77.3%
satisfaction with
time taken to
complete repairs

Demand for damp and mould services remained high, with 1,691 new cases reported. Of these, 10.1% were classified as Category 1 and 89.9% as Category 2, with all Category 1 cases responded to within target timescales and Category 2 cases managed in line with policy. Follow-on works were required in 70.9% of cases, reflecting the complexity of underlying issues. A small number of cases exceeded target timescales, primarily due to access constraints or resident-requested rescheduling. The Healthy Homes Team continues to play a key role in managing this demand, supported by using Aico home sensors to enable early intervention and monitoring.

These improvements are reflected in Tenant Satisfaction Measures (TSMs), with overall satisfaction increasing to 75.5% (2025: 72.7%). Satisfaction with repairs rose to 80.0% (2025: 77.0%) and satisfaction with the time taken to complete repairs improved significantly to 77.3% (2025: 69.8%).

Eastlight remains committed to maintaining strong financial resilience to support continued investment in homes and services. During 2025-26, we strengthened our funding position through refinancing arrangements with key lenders, improving pricing, extending maturities and enhancing financial flexibility.

As part of our funding strategy, Eastlight held Sustainability Linked Loan (SLL) facilities with Lloyds, Santander, NatWest and Danske Bank as at 1 April 2025. These facilities link borrowing costs to the achievement of agreed environmental and social performance targets. Performance against these targets for the year ended 31 March 2025 resulted in reduced borrowing margins on the Lloyds and Santander facilities during 2025-26. Following refinancing activity in the year, the Santander facility is no longer structured as an SLL. These arrangements demonstrate how Eastlight is aligning its financial strategy with wider sustainability objectives while also securing value for money.

Our treasury position continues to be managed prudently in line with our Treasury Management Policy. During 2025-26, we maintained a minimum cash holding of £8m, including at least £5m held with our relationship bank, ensuring we have sufficient liquidity to meet our operational and financial obligations. As at 31 March 2026, 82% of our debt was held at fixed interest rates, limiting exposure to interest rate volatility and supporting long term financial stability.

Following a Regulatory inspection in April 2025, Eastlight retained its G1 and V1 gradings, confirming continued strength in governance and financial viability. The inspection also resulted in Eastlight receiving its first Consumer grading of C2, which reflects a sound basis for delivering services to residents while identifying areas for further improvement. We worked in partnership with the Regulator through a co regulatory approach to strengthen performance and progress towards a C1 grading. We are delighted to confirm this was reviewed and a C1 grading confirmed by the Regulator on 29 July 2026.

C1
grading confirmed
in July 2026

87.1%
first-time fix rate





New Homes

With demand for affordable housing continuing to exceed supply across the East of England, Eastlight remains committed to delivering high-quality, affordable homes. During 2025–26, we delivered 341 new homes, exceeding our annual target of 306.

Of these, 234 (68.6%) were for affordable rent, 15 (4.4%) for social rent and 92 (27.0%) for shared ownership. This brings the total number of homes built since Eastlight was formed in 2020 to 1,876, with the organisation on track to deliver its 2,000th home during 2026-27.

To support access to home ownership, we sold 63 shared ownership homes during the year, with an average initial purchase of 29.1%. Alongside completions, we continue to maintain a strong development pipeline, with 470 homes in contract and a further 470 homes in the forward pipeline at 31 March 2026. This provides a solid platform for future delivery. We plan to deliver 277 new homes in 2026-27 and, based on current progress, expect to deliver around 310 homes, exceeding this target. The development team has consistently outperformed business plan expectations, delivering 35 additional homes above target during the year.

Eastlight continues to increase its involvement in land-led development to improve quality, control and value for money. During the year, we delivered one Eastlight-led scheme at Whatfield Road, Elmsett, providing 18 homes, comprising nine for social rent and nine for shared ownership. This scheme demonstrates our ability to deliver high-quality homes directly, supported by £1.63m of grant funding from Homes England. Additional delivery included Section 106 homes, such as six social rent properties at Chedidton Street. Quality and sustainability remain central to our development approach. All new homes delivered achieved a minimum EPC rating of C, with 97% rated A or B, helping to reduce energy costs and improve environmental performance. Our homes are designed to be efficient to run and aligned with Eastlight's Development Design Guide.

Eastlight also continued to focus on making the best use of existing homes. During 2025-26, 1,021 homes became void, including 251 first-time lets. The average re-let time was 52 days, compared to a target of 28 days. While this remains above target, performance reflects ongoing operational pressures, including increased demand and higher new build volumes. At the end of the year, there were 207 void properties, including 28 ready-to-let homes.

A number of actions are underway to improve performance. The Empty Homes Team is expected to be fully resourced, which will support improved throughput and reduce avoidable delays. As the My Eastlight Team model becomes embedded, closer working with neighbourhood teams and clearer handover processes are expected to reduce re-let times. Operational reviews are also underway to streamline processes and improve reporting, particularly for properties outside direct operational control. While pressures may continue in the short term, performance is expected to improve during 2026-27 as these changes take effect.

In addition, we continued to reduce the backlog of garage lets during 2025-26, addressing long waiting lists through increased team capacity and more proactive engagement with interested applicants. As a result of this focused approach, 367 garages were let during the year, demonstrating continued progress in improving utilisation of garage sites and building on the significant improvements achieved in 2024-25.

Overall, Eastlight continues to respond to regional housing need through strong delivery, a robust pipeline and a consistent focus on quality, sustainability and value for money.

Investment in our Homes

Eastlight continued to invest in the quality, safety and sustainability of its homes during 2025-26, with £13.2m invested in major capital works across the portfolio. As a result, 100% of homes met the Decent Homes Standard at year end, with no instances of non compliance.

The capital programme delivered a wide range of improvements to existing homes, including 63 new bathrooms, 88 new kitchens, 675 heating system upgrades, 79 roof replacements and 135 homes fitted with new windows. In addition, 469 new fire doors were installed to further enhance resident safety. Through effective contract management and data led decision making, the programme delivered strong value for money, enabling 60% more improvements than originally planned.

Eastlight maintained high levels of building safety compliance throughout the year, achieving an overall compliance rate of 99.69%. Performance remained strong across key areas, including gas safety (99.70%), electrical inspections (99.96%) and fire risk assessments (100%), with asbestos, passenger lift and water safety compliance all at 100%. A small number of overdue cases arose during the final quarter, primarily due to seasonal demand and access challenges; these were actively managed and do not indicate any underlying control issues.

249
homes for affordable or
social rent delivered

63
shared ownership
homes sold

78.8%
of homes EPC-C
or above

Improving the energy efficiency of existing homes remains a key priority. By the end of the year, 78.8% (10,229 homes) of our 12,983 existing homes were rated EPC C or above. During the year, over £3m was invested in retrofit activity, including insulation improvements to more than 160 homes, installation of 128 solar photovoltaic systems and grant funded works that supported a further 70 homes to reach EPC C. In addition, 675 heating upgrades contributed to improved energy efficiency and reliability across the stock.

This work was supported by £351,000 of external funding and ongoing partnership activity, including initiatives such as SHIELD. These programmes continue to test and scale innovative approaches to reducing carbon emissions and improving affordability for residents.

£1.2m
of Warm Homes
funding secured

In April 2025, Eastlight secured £1.2m from the Warm Homes: Social Housing Fund, which it is match funding to create a £2.4m investment programme over three years. This funding will support improvements to around 275 homes, including the installation of solar panels, air source heat pumps and enhanced insulation measures, helping accelerate progress towards the EPC C 2030 target while reducing household energy costs.

Alongside capital investment in homes, Eastlight has significantly increased its focus on estates and communal areas. A £2.6m programme was approved during the year, shaped by asset data, customer insight and feedback from residents and colleagues. Investment has been prioritised using a structured, matrix based approach, focusing on building condition, resident feedback, usage levels and opportunities to deliver visible improvements.

Projects across locations including Queens Road, Parker Way, Green Court and Tweed Close have delivered both practical and aesthetic upgrades, such as new flooring, improved access systems, window and door replacements, and wider environmental improvements. At Queens Road, for example, previously worn and dated communal spaces have been transformed into bright, modern and welcoming environments, improving both safety and resident pride.

Resident consultation has been central to this programme, with feedback directly shaping the design and delivery of works. This has strengthened trust, improved satisfaction and created a clear “you said, we did” approach to investment decisions.



£13.2m
invested in major
capital works

Investment in our Homes

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Eastlight maintained high levels of building safety compliance throughout the year, achieving an overall compliance rate of 99.69%. Performance remained strong across key areas, including gas safety (99.70%), electrical inspections (99.96%) and fire risk assessments (100%), with asbestos, passenger lift and water safety compliance all at 100%. A small number of overdue cases arose during the final quarter, primarily due to seasonal demand and access challenges; these were actively managed and do not indicate any underlying control issues.

There are no buildings over 18 metres in height within Eastlight's portfolio. All buildings between 11 and 18 metres that previously contained ACM or HPL cladding have been fully remediated, removing associated fire safety risks.

Improving the energy efficiency of existing homes remains a key priority. By the end of the year, 78.8% (10,229 homes) of our 12,983 existing homes were rated EPC C or above. During the year, over £3m was invested in retrofit activity, including insulation improvements to more than 160 homes, installation of 128 solar photovoltaic systems and grant funded works that supported a further 70 homes to reach EPC C. In addition, 675 heating upgrades contributed to improved energy efficiency and reliability across the stock.

This work was supported by £351,000 of external funding and ongoing partnership activity, including initiatives such as SHIELD. These programmes continue to test and scale innovative approaches to reducing carbon emissions and improving affordability for residents.

In April 2025, Eastlight secured £1.2m from the Warm Homes: Social Housing Fund, which it is match funding to create a £2.4m investment programme over three years. This funding will support improvements to around 275 homes, including the installation of solar panels, air source heat pumps and enhanced insulation measures, helping accelerate progress towards the EPC C 2030 target while reducing household energy costs.

Alongside capital investment in homes, Eastlight has significantly increased its focus on estates and communal areas. A £2.6m programme was approved during the year, shaped by asset data, customer insight and feedback from residents and colleagues. Investment has been prioritised using a structured, matrix based approach, focusing on building condition, resident feedback, usage levels and opportunities to deliver visible improvements.

Projects across locations including Queens Road, Parker Way, Green Court and Tweed Close have delivered both practical and aesthetic upgrades, such as new flooring, improved access systems, window and door replacements, and wider environmental improvements. At Queens Road, for example, previously worn and dated communal spaces have been transformed into bright, modern and welcoming environments, improving both safety and resident pride.

Resident consultation has been central to this programme, with feedback directly shaping the design and delivery of works. This has strengthened trust, improved satisfaction and created a clear “you said, we did” approach to investment decisions.



Over £3m
invested in retrofit
activity



675
heating upgrades
completed



Our Residents & Communities

At Eastlight, we are committed to ensuring residents can meaningfully influence how services are designed and delivered. As a Community Gateway organisation, resident voice is embedded into governance, strategy and day-to-day service delivery, enabling residents to hold us to account and shape decisions at all levels.

2025-26 was a pivotal year in strengthening this approach. During the year, we introduced our Resident Members Charter, co-created with residents and approved by resident shareholders. The Charter replaces the previous shareholding model and creates a clearer, more inclusive and accessible framework for engagement, ensuring residents play a direct and ongoing role in shaping services and decision-making.

This is supported by the Community Gateway Circle, which brings together all engagement activity into a single, connected and resident-led framework. It includes formal governance and oversight through the Customer Influence Committee (CIC) and resident Board representation; resident-led scrutiny activity reviewing services and performance; neighbourhood engagement through Eastlight Resident Groups (ERGs), estate inspections and walkabouts; wider engagement through the Active Residents Network (ARN) and consultations; and learning opportunities such as the Resident Academy. Together, these elements ensure a continuous feedback loop where resident insight informs decisions and outcomes are communicated transparently.

Resident involvement expanded significantly during the year. As at 31 March 2026, there were 219 Resident Members (including CIC members) and 169 ARN members. While ARN membership increased modestly, overall engaged residents increased by 57 compared to the previous year, reflecting the impact of the new Charter approach. Engagement remained strong, with 24 Charter-related activities delivered during the year and a further 25 opportunities promoted through ARN communications, covering scrutiny workshops, policy reviews, sustainability engagement and digital service development. ARN newsletters achieved an average open rate of 55.5%, demonstrating consistent resident participation.

Residents were actively involved in shaping a wide range of services and policies, including service charges, complex repairs, estate management, value for money, income communications and the My Eastlight portal. This resulted in tangible improvements, including clearer and more supportive communications, improved accessibility of digital services, and changes to policies such as removing gutter clearance from resident responsibilities and strengthening support within the Damp and Mould Policy.

Resident-led scrutiny was a key area of progress. In April 2025, the CIC approved an enhanced scrutiny programme, marking a step-change in how residents hold Eastlight to account. Reviews undertaken during the year focused on priority areas including service charges and complex repairs, with high levels of engagement. Findings and recommendations have been shared across the organisation and are being implemented to drive service improvements, with residents continuing to shape future scrutiny priorities.

Local engagement remains central to this approach, with 35 residents actively involved in ERGs supporting neighbourhood activities and community initiatives. The Resident Academy continues to build resident confidence and capability, with over 5,000 views of learning content since launch, supporting participation in governance and scrutiny.

Eastlight also continues to invest in local communities through the Braintree District and Eastlight Community Fund, which has been operating since 2013 in partnership with Braintree District Council. Over this 13-year period, more than £1.4m has been awarded, supporting an estimated 50,000 beneficiaries across the district.

Underpinning all this work is Eastlight's "Think Customer" approach, which encourages colleagues to consider the impact of every decision on residents and tailor services to individual needs. This principle supports more thoughtful, responsive service delivery and reinforces the organisation's commitment to putting residents at the heart of everything it does.

Through this combined approach – strengthening governance, embedding resident voice, expanding scrutiny and investing in communities – Eastlight has made significant progress in 2025-26. Residents are not only heard, but are increasingly shaping decisions, influencing services and helping to deliver better outcomes across communities.

219

residents became
Resident Members

24

activities delivered
under the Resident
Members Charter

Tenant Satisfaction Measures

On 1 April 2024, the Regulator of Social Housing introduced its Consumer Standards, including a set of Tenant Satisfaction Measures (TSMs) that registered providers must report against. These measures provide a consistent way of understanding how residents view the services they receive and how effectively housing providers are meeting their needs.

During 2025-26, 1,463 residents (including tenants, shared owners and leaseholders) were surveyed across the year to assess satisfaction with Eastlight's homes and services.

Our key findings were as follows:

Satisfaction with...		Eastlight 2026 (year-end)	Eastlight 2025 (year-end)	Sector average (2024-25)**
TP01	Overall service	75.5%	72.7%	75.4%
TP02	Repairs reported in the last 12 months	80.0%	77.0%	76.1%
TP03	Time taken to complete repairs in the last 12 months	77.3%	69.8%	70.8%
TP04	Home is well maintained	76.8%	74.2%	75.0%
TP05	Home is safe	81.2%	80.4%	80.3%
TP06	Listens to tenants' views and acts upon them	69.2%	63.8%	65.7%
TP07	Being kept informed	70.4%	69.3%	74.4%
TP08	Being treated fairly and with respect	80.1%	77.5%	80.4%
TP09	Approach to complaints in the last 12 months	41.9%	33.0%	38.8%
TP10	Communal areas	66.6%	58.9%	68.8%
TP11	Positive contribution to the neighbourhood	67.3%	59.6%	67.2%
TP12	Approach to anti-social behaviour (ASB)	61.1%	58.4%	63.4%

* Results are presented as a 12 month rolling average at year end. Findings reflect the position at year end, with results from all quarterly surveys combined and averaged across the four quarters. TP01 scores relate to tenants only.

** 2025-26 TSM data is due to be published by Regulator of Social Housing in early November 2026.

Overall satisfaction with Eastlight's services increased to 75.5% (2024-25: 72.7%), broadly in line with the latest available sector benchmark. Improvements were seen across most measures, particularly in core service areas. Satisfaction with repairs increased to 80.0% (2024-25: 77.0%), while satisfaction with the time taken to complete repairs improved significantly to 77.3% (2024-25: 69.8%), now exceeding the current sector average. Positive increases were also seen in perceptions of home maintenance (76.8%), safety (81.2%), fairness and respect (80.1%), and neighbourhood contribution (67.3%).

There has also been notable improvement in how residents feel Eastlight listens and responds to feedback, increasing to 69.2% (2024-25: 63.8%). Satisfaction with complaints handling increased to 41.9% (2024-25: 33.0%), reflecting progress in complaint resolution processes, although this remains an area of ongoing focus. Satisfaction with communal areas (66.6%) and anti-social behaviour (61.1%) also improved year-on-year, though both remain below sector comparators.

While these results demonstrate continued progress, they reflect a wider sector trend where residents expect further improvement, particularly in communication, complaints handling and neighbourhood services. Eastlight continues to focus on addressing these areas to improve overall resident experience.

**75.5%**

overall satisfaction with
Eastlight's services



Complaints handling

During 2025-26, 852 complaints were received, comprising 729 Stage 1 complaints and 123 Stage 2 complaints, with 16.3% of cases escalating to Stage 2. Of Stage 1 complaints, 606 were resolved without escalation, reflecting improved early resolution.

A total of 15 cases were referred to the Housing Ombudsman Service (HOS), with 9 formal determinations issued, resulting in 17 findings and compensation of £775. Compensation awarded directly through Eastlight at Stage 1 and Stage 2 totalled £140,345.

Complaint volumes increased during the year, particularly in relation to damp and mould, leaks and heating or hot water issues during winter months. This mirrors wider sector trends and reflects increased demand across multiple service areas. Despite this, there have been improvements in both TSM scores and customer journey feedback, indicating progress in service delivery and responsiveness.

A structured TSM action plan is in place and is being actively monitored through operational governance arrangements. This ensures that resident feedback continues to drive service improvement, with a focus on strengthening communication, responsiveness and overall customer experience.

While further work is required, the improvements seen during 2025-26 demonstrate progress in key service areas and a continued commitment to improving satisfaction and delivering better outcomes for residents.



606
complaints resolved
at Stage 1



Our People

The colleagues who work at Eastlight play a vital role in delivering our services and supporting residents. We are committed to creating an environment where people feel supported, valued and able to succeed, with a culture that reflects our values and supports the delivery of our Corporate Strategy.

At 31 March 2026, Eastlight employed 431 colleagues, supported by a range of initiatives to promote wellbeing, inclusion and professional development. We remain a sector leader in disability inclusion, maintaining our Disability Confident Leader (Level 3) status – the highest level in the government's scheme. Through partnerships with organisations such as Purple and Essex Cares Limited, we continue to strengthen our approach to accessibility and inclusion, including supporting neurodiversity across our workforce.

During 2025-26, we continued to invest in the skills and capability required to deliver high-quality services and meet evolving regulatory expectations. Six apprenticeships were undertaken across trades, assets and development, and 13 colleagues gained professional qualifications, representing approximately 3% of the workforce. These included Chartered Institute of Housing qualifications, construction and governance credentials, and Lean Six Sigma accreditations. While fewer formal qualifications were completed compared to 2024-25, development activity remained targeted and focused on key service areas and regulatory requirements, supporting a skilled and future-ready workforce.

Alongside formal learning, colleagues continue to benefit from mentoring, coaching and internal development opportunities, strengthening leadership capability, succession planning and resilience across the organisation.

Supporting colleague wellbeing remains a priority. During the year, Eastlight strengthened its wellbeing offer, including an enhanced Employee Assistance Programme providing 24/7 confidential support to colleagues and their households. This complements existing support networks, including 10 trained Mental Health First Aiders, flexible working arrangements and ongoing wellbeing activity, improving access to early support and helping to maintain a positive working environment.

Colleague voice continues to shape how Eastlight evolves. Through EastVoice, colleagues have contributed to key organisational changes, including supporting the development of the My Eastlight Team model through collective consultation. This ensures that changes to our operating model reflect both colleague insight and resident needs.

82%

colleague response rate
to Eastlight's Culture
and Engagement
Survey

Employee networks continue to play an important role in embedding inclusion within the organisation. EastPride, our LGBTQIA+ network, was established in response to colleague feedback following Eastlight's involvement in Pride events. The association is colleague-led and supports both internal engagement and external community presence, including participation in regional Pride events and awareness activities. This ensures colleagues are actively involved in shaping Eastlight's approach to inclusion and strengthening connections with the communities we serve.

Eastlight continues to monitor colleague experience through its Culture and Engagement Survey, which achieved a strong 82% response rate in 2025-26. Results show positive overall engagement, with strong working relationships within teams and with line managers, alongside high levels of commitment to Eastlight's purpose. Areas for further improvement include cross-team collaboration, consistency in line management and ensuring colleagues feel confident sharing ideas and feedback. An organisation-wide action plan is in place to address these areas, supported by regular pulse surveys to track progress and ensure continuous improvement.

We are creating opportunities for residents to access employment and development through the Dale Butcher Resident Work Experience Programme, which progressed into its second year. The programme provides practical experience, mentoring and access to professional qualifications, supporting participants to build skills and explore careers in housing.

Through these combined activities, Eastlight continues to invest in its people in a way that supports its future direction – building a skilled, inclusive and resilient workforce capable of delivering high-quality, place-based services. This investment in our people supports the delivery of safe, high-quality homes and responsive services for residents.

**Members
of EastPride**





Future Prospects

The external environment in which Eastlight operates remains complex and evolving. Ongoing geopolitical instability, including global conflict, continues to create uncertainty in financial markets and the wider economy.

While inflation has eased compared with recent peaks, the cost of living remains elevated, with continued pressure on household finances and sustained demand for affordable housing and support services. Demand for social housing continues to significantly exceed supply. Across England, there were around 1.34 million households on local authority housing waiting lists at March 2025, the highest level in over a decade.

The Government has maintained a strong focus on increasing affordable housing supply, supported by policy changes and investment. However, the sector continues to operate within a challenging environment, with increasing expectations from the Regulator of Social Housing and the Housing Ombudsman, alongside ongoing scrutiny through Consumer Standards and Tenant Satisfaction Measures.

Wider social and economic trends are also shaping demand. An ageing population, continued pressures on health and social care, and increasing levels of additional support needs are driving more complex customer requirements. At the same time, affordability challenges, homelessness and reliance on temporary accommodation remain significant issues across many communities.

Technology is playing an increasingly important role in how services are delivered. Advances in artificial intelligence, data analytics and digital platforms present opportunities to improve efficiency and enhance customer experience. Eastlight continues to develop its data and technology strategy, including embedding digital services such as My Eastlight and the customer portal. However, these developments also introduce risks, including cyber security threats, data protection challenges and the need to manage organisational reputation in an increasingly digital and social media-led environment.

Political and structural change at both national and local levels also adds uncertainty. Planned devolution and local government reform, although currently deferred, are expected to reshape partnerships and local delivery arrangements. Maintaining strong relationships with local authorities, MPs and key stakeholders will remain critical in this environment.

G1/V1

reflects Eastlight's
strong governance and
financial resilience

In response to these factors, the sector continues to focus on improving efficiency, strengthening financial resilience and adopting new delivery approaches. This includes greater use of data-led decision making, modern construction methods and digital-enabled services, alongside continued investment in existing homes to ensure quality, safety and energy performance.

Eastlight is well positioned to respond to these challenges and opportunities. The organisation benefits from strong governance and financial resilience, reflected in its G1/V1 grading, a clear geographic focus and a skilled workforce. Its place-based operating model strengthened resident engagement through the Resident Members Charter and continued focus on customer insight provide a strong platform for future service improvement.

Looking ahead, Eastlight will continue to focus on delivering its core purpose – providing safe, high-quality homes and responsive services – while improving efficiency, strengthening partnerships and investing in both existing homes and new developments. At the same time, the organisation will continue to manage risk proactively and adapt to an increasingly complex operating environment.

Eastlight operates within a clearly defined set of financial 'Golden Rules' aligned to the Board's risk appetite. Supported by robust business planning, stress testing and cash flow management, the Board and Leadership Team have reasonable assurance that Eastlight will remain financially resilient and well positioned to meet future challenges.

Eastlight's
core purpose is to
provide safe, high
quality homes



Financial Performance

The Board is pleased to report an overall surplus of £14.1m (2025: £12.8m) for the year.

The surplus was higher than the original budget, primarily due to lower interest costs, driven by the renegotiation of loan facilities and by meeting performance targets associated with green loans and higher surplus on disposal of properties due to increased staircasing and residents exercising their Right to Buy and Right to Acquire options.

Financial Performance Summary

£m	2025–26	2024–25
Turnover	107.6	110.9
Income from lettings	100.6	91.7
Operating Surplus	35.2	30.6
Surplus for the year (Total Comprehensive Income)	14.1	12.8
Housing properties at cost	1,121.9	1,035.3
Net current assets/(liabilities)	(21.7)	1.7
Indebtedness	599.7	545.3
Total reserves	323.3	309.1
Operating Margin	28.7%	26.6%
EBITDA MRI Interest Cover	144%	154%
Gearing	61.1%	58.9%

Reserves

At 31 March 2026, the Association's total reserves stood at £323.3m (2025: £309.1m). This includes the Revaluation Reserve of £93.3m (2025: £94.1m) and the accumulated surplus on the Revenue Reserve of £226.7m (2025: £212.8m).

The Board has established a restricted reserve in respect of the Community Housing and Investment Partnership (CHIP) Fund as required under the transfer agreement with Braintree District Council. At 31 March 2026, the balance of this reserve was £0.1m (2025: £0.1m).

By agreement with Braintree District Council, proceeds of sale of certain properties within the district are included in a reserve designated for reinvestment in new housing in the district. During the year, no properties were sold at auction that qualified transferring funds to this reserve.

Cashflow & Liquidity

The net cash in-flow from operating activities during the year was £42.9m (2025: £53.6m).

At the end of the year, the Association held £6.2m (2025: £14.7m) in cash balances and deposits. The Association has a strategy to maintain £5m working capital to cover expected operational and investing activities. This working capital is maintained through financing and operational cash inflows. It is our policy to have liquidity cover of at least 18 months.

Capital Structure & Treasury Policy

During the year, we increased existing facilities, and took out new facilities with existing lenders, increasing quantum, tenor, and enhancing covenant packages. The increase in facilities during the year takes total funding facilities to £732m, with total borrowings of £600m under the facilities. The balance of undrawn facilities was £132m. As part of the Association's strategy to remove the risk of fluctuations in interest rates, 82% of total borrowings were at a fixed rate.

Our Treasury Management Strategy determines the approach to obtain funding to support the growth ambitions set out in our Growth Strategy and Business Plan. The Finance & Treasury Committee operates with delegated authority to implement the funding strategy, which includes enhancing the efficiency of asset security arrangements.

Housing Properties & Other Fixed Assets

At the end of the year, housing properties and garages had a carrying value of £971.9m (2025: £900.3m) net of depreciation.

The total number of housing properties owned and managed by the Association at 31 March 2026 was 14,909. Under Right to Buy or Right to Acquire provisions, nineteen (19) properties were sold during the year.

Going Concern

The Board has reviewed the Association's budget for the year to March 2027 and Business Plan for 2026/27 onwards. They have also considered the continuing impact of economic uncertainty on its operations with the conflict in Iran, inflationary pressures and interest rate changes, and identified further principal risks, including the contraction of the housing market, the availability of cash resources and the impact of economic downturn.

Having taken steps to mitigate where possible the impact of these risks, the Board have concluded that there is a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

Risk & Uncertainty

The Association maintains a Strategic Risk Register to enable the Board to monitor and manage risks to the delivery of its strategic objectives. This is supported by a clear Risk Management Framework and Assurance Framework, with regular reporting to the Audit & Risk Committee (ARC) and the Board.

Environmental, social and governance (ESG) risks are embedded within this framework. Environmental risks are captured within the Climate Change and Sustainability risk, social risks through Customer Experience and People risks, and governance underpins all areas through clear ownership, controls and assurance mapping. Board approved risk appetites guide decision making across the organisation.

The key strategic risks are:

Risk name	Risk description	Key controls
1 Customer Experience	Operational service delivery issues or outcomes have the potential to impact on service delivery standards and customer satisfaction with regulatory or reputational impact.	● Asset Management Strategy, Resident Engagement and Resident Charter (including Scrutiny) ● Core housing, repairs, complaints and compensation policies ● Customer insight via TSMs, surveys and complaints data ● 360 platform providing single customer view ● Place-based operating model and flexible Home Solutions Team (HST) resourcing.
2 Data & Cyber Security	Risk of unauthorised access, use, disclosure, disruption, modification or destruction of information and/or information systems. This could lead to non-compliance, legal penalties, financial losses, operational disruption, erosion of customer trust and reputational damage.	● Mandatory cyber and data protection training and phishing tests ● Layered technical controls including multi-factor authentications (MFA), virtual private network (VPN) and firewalls ● 24/7 automated threat detection and response ● Incident response and disaster recovery arrangements ● Cyber insurance cover.

Risk name	Risk description	Key controls
3 Data Management, Insights	Risk that fragmented systems, skills gaps, and poor data governance lead to poor data quality, limited insight, and impaired decision-making, which may impact service delivery, strategic outcomes, or result in regulatory downgrade.	● Data and Technology strategies with roadmap ● Monthly stock data reconciliations ● Executive Key Performance Indicator (KPI) Pulse reporting ● Data champions and information asset register ● Stock condition survey programme.
4 People Risk: Culture, Recruitment & Retention	Risk that culture fails to support strategic goals, and Eastlight struggles to attract, develop, and retain the talent needed to succeed, leading to disengagement, turnover of staff, underperformance and poor customer experience.	● Recruitment and pay flexibility controls ● Manager capability and leadership training ● Culture surveys and engagement mechanisms ● Recognition, communication and induction frameworks.
5 Corporate and Employee Health & Safety	Injury, harm, or ill-health caused by inadequate health and safety practices, failure to comply with safety regulations, or lack of safety culture, which may result in harm to employees, customers, or the public, and lead to regulatory fines, reputational damage, and operational disruptions.	● Health & Safety policies, safe systems of work and risk assessments ● Role-specific H&S training ● Incident and hazard reporting (via Halo system) ● Lone working devices and monitoring ● Insurance cover
6 Health & Safety (Building Safety)	Risk to building safety caused by inadequate management of safety standards, insufficient compliance with regulations, or failure to identify and address hazards, resulting in harm to residents, legal penalties and reputational damage.	● Statutory compliance inspections ● Stock condition surveys aligned to Housing Health and Safety Ratings System (HHSRS) ● Damp and mould policy and Healthy Homes Team ● Total Compliance Workbook ● Contractor competence checks.
7 Organisational Capacity and Resilience	Risk that Eastlight's ability to deliver strategic priorities may be weakened by competing demand, limited resources, poor prioritisation and rising expectations. This can result in low staff morale, inefficient delivery, diminished value for money, poor culture, and an inability to sustain performance or respond effectively to future challenges.	● PMO and change governance framework ● Corporate and directorate planning ● Delegated authorities and regulatory horizon scanning ● Leadership charter and wellbeing support.

Risk name	Risk description	Key controls
8 Financial Instability	Gradual economic pressures, such as rising interest rates, regulatory changes, and government policy shifts or economic shocks could lead to increased operational costs and reduced income. These factors may cause cash flow disruptions, lower-than-expected sales revenue, and potential breaches of financial covenants, ultimately threatening the organisation's financial resilience and ability to meet long-term financial commitments.	● Hedging and fixed-rate borrowing ● Treasury Management Policy and KPIs ● Covenant compliance and monitoring ● Stress testing and scenario planning ● Business Plan and budget governance.
9 Climate Change & Sustainability	The risk that Eastlight does not meet environmental and sustainability regulation such as energy efficiency or carbon-related standards or effectively manage the physical impacts of climate change on homes and communities (such as flooding and extreme weather), resulting in legal non-compliance, penalties, or operational impact.	● Mitigations to reduce risk to our homes include: ● Sustainability Strategy and business plan alignment ● Net zero and EPC C investment planning ● External technical expertise ● Sustainability reporting standards ● Assessment of climate-related risks to homes & communities, including flooring ● Climate resilience considered within asset investment, maintenance, and new development planning, including flood, overheating & extreme weather risks.
10 Financing	External financial factors, including rising inflation, higher borrowing costs, and a declining housing market, combined with increasing regulatory demands, may lead to insufficient or reduced funding. This could result in liquidity strain, covenant breaches, or the need for unplanned borrowing, undermining financial resilience and hindering the ability to meet investment and compliance obligations.	● Cash flow forecasting ● Treasury Strategy and Policy ● Diverse lender base and investor engagement ● Stress testing and Golden Rules.

Risk name	Risk description	Key controls
11 Development (Cost and Delivery)	Financial pressures from other business areas, rising development costs, and high borrowing rates are limiting development capacity. Planning delays, contractor instability, government policy and reliance on Section 106 schemes further threaten project delivery, sales performance and control over quality.	● Scheme appraisal and fixed-price contracts ● Contractor risk limits due diligence ● Third-party legal and cost advice ● Post-completion audits and contingencies.
12 Fraud, Bribery and Corruption	Risk of financial loss, reputational damage and potential regulatory downgrade through fraud, collusion, bribery or similar activities such as money laundering due to inadequate procedures or controls.	● Anti-fraud, anti-money laundering (AML), and bribery and whistleblowing policies ● Fraud Prevention Framework and response plan ● Finance and procurement controls ● Role-specific fraud training and awareness campaigns ● Crime insurance and reporting mechanisms.

Internal controls are regularly tested through management activity and internal audit. Findings are reported to ARC, with agreed actions tracked through to completion. A comprehensive insurance programme is in place.

Code of Governance

The Board has adopted the National Housing Federation (NHF) Code of Governance (2020) and complies in all material respects. Compliance is reviewed annually, with the latest assessment completed in July 2025.

The Board has also adopted the NHF Code of Conduct (2022). The applicability of the NHF Merger Code was considered by the Board in March 2026, and it was agreed to continue its adoption. No activity was undertaken under the Code during the year.

Following a regulatory inspection in 2025, the Regulator of Social Housing (RSH) confirmed Eastlight's G1 (Governance) and V1 (Viability) ratings and awarded a C2 Consumer grading. Further to a review of our C2 rating in July 2026, this was re-evaluated as C1 by the RSH on 29 July 2026.

The Board

The Board comprises up to 12 members, excluding Board Co optees, and is responsible for setting the strategic direction of the Association and ensuring its effective and efficient management.

Appointments to the Board are made following careful assessment of the skills, knowledge and experience required to support the delivery of our corporate strategy and future objectives. The Board maintains a strong mix of professional, commercial and local expertise and has committed to ensuring that at least one position is held by a resident with appropriate skills and lived experience.

Board Members are drawn from a wide range of backgrounds, and the Board undertakes regular reviews of its overall skills profile to ensure it continues to reflect the needs of the organisation. During 2025, the Board undertook an independent skills review, which confirmed a broad and balanced spread of skills and experience across its membership. The outcomes of this review are being used to inform future recruitment activity and succession planning.

Targeted recruitment campaigns were carried out during the year to address planned succession gaps,

resulting in the appointment of three new Board Members (two in May and one in November). The findings of the skills review also informed discussions at the November strategic away day, with a focus on Board culture and development.

The Board is the main decision making body of the Association and is responsible for establishing the policy and strategic framework within which the organisation operates. It ensures that the Association's affairs are managed effectively, economically and in compliance with all relevant legislation and regulatory requirements. Day to day management is delegated to the Chief Executive and the Executive Management Team.

The Board has the authority to establish Committees and delegate specific responsibilities to them, as well as to working groups or officers of the Association, to support effective governance and oversight.

It meets six times a year for formal business. Additional meetings are held where required, alongside two strategic away days focused on long term planning and organisational development.

The Board undertakes an annual review of its effectiveness, including a self assessment of its performance and that of its Committees. Individual appraisals of all Board Members, including the Chair, are also carried out annually to support continuous improvement.

Board Members retire and are eligible for re-appointment at the end of each three year term, subject to the ongoing skills and experience requirements of the Association. The normal maximum term of office is six years, with up to nine years permitted where this supports effective succession planning.

The Chair is appointed by the Board and is supported by a Senior Independent Director, who provides additional support and independent challenge where required.

The ultimate responsibility for all decisions of the Association rests with the Board.

Members of the Association

In June 2025, Eastlight moved from an open shareholding model to closed shareholding model following approval at a Special General Meeting.

The previous shareholding model, which entitled residents to become shareholders with voting rights, was replaced with a Resident Members Charter. This Charter was co designed with residents through extensive engagement and sets out clear expectations for how residents can influence decision making and shape services.

The Resident Members Charter is embedded within the Association's Rules, which were formally approved by the Financial Conduct Authority in November 2025. This ensures that resident influence is structured, transparent and aligned with the organisation's governance framework.

Under the new arrangements, the focus shifts away from formal shareholding to a more meaningful and inclusive approach to resident involvement. This strengthens the community gateway principles by ensuring that resident voice and influence are central to governance and decision making and better reflects what residents have told us matters most to them.

Committees

The Board is supported by a committee structure that provides focused oversight and assurance across key areas of the organisation. Each Committee operates within clearly defined terms of reference, approved by the Board, and either exercises delegated authority or makes recommendations to the Board where appropriate.

Each Committee plays a key role in supporting effective governance, providing detailed scrutiny in their respective areas and strengthening assurance to the Board.

The Terms of Reference for each Committee are reviewed annually by both the Committee and the Board to ensure they remain fit for purpose and aligned with the Association's strategic priorities. The delegated authorities of each Committee are outlined as follows:

Customer Influence Committee (CIC)

- To champion customer voice and uphold the principles of the community gateway model
- To facilitate appropriate customer influence in the strategic and operational running of the organisation
- To oversee the Resident Engagement & Community Empowerment Strategy and scrutinise the performance of these activities
- To provide assurance to the Board on the appropriateness of decisions that affect the lived experience of the organisation's customers and communities.

Finance & Treasury Committee (F&T)

- To oversee financial strategy and performance and support the Board in maintaining financial viability
- To recommend, oversee and implement the organisation's Treasury Strategy
- To execute treasury transactions on behalf of the Board.

Development & Asset Management Committee (DAM)

- To oversee programmes of investment in respect of existing and new homes
- To oversee the New Homes and Asset Management strategies, ensuring that they fulfil organisational objectives, financial risk appetite and are in line with the Sustainability Strategy and Design Guide
- To execute delegated authority in respect of new development, land and property acquisition, and regeneration proposals on behalf of the Board.

Governance & People Committee (G&P)

- To oversee and support the Board in maintaining excellent governance through skills, experience and behaviour-based recruitment and succession
- To oversee and determine remuneration of Board and Executive
- To oversee and regularly monitor Board and Committee effectiveness, and recommend enhancements to governance
- To oversee and monitor Eastlight's Governance Framework and all associated governance documentation and policies
- To oversee the People Strategy and related policies, ensuring they support the fulfilment of corporate organisational objectives.

Audit & Risk Committee (ARC)

- To ensure that systems of internal control, assurance and risk management are appropriate and effective
- To provide the Board with assurance that legal, statutory and regulatory requirements of the organisation are properly audited and reviewed
- To ensure appropriate Board and Committee oversight of risks and issues pertaining to the organisation's activity
- To hold the relationship with internal and external auditors on behalf of the Board.

Chief Officers

The Chief Officers are responsible for the day to day management of the Association, operating within the authority delegated by the Board. They are led by the Chief Executive and collectively form the Executive Management Team.

During the year, Executive job titles were updated to better reflect the organisation's operating model and align with sector practice. These changes provided clearer recognition of strategic leadership responsibilities but did not alter accountabilities, governance arrangements or contractual terms.

Chief Officers are responsible for delivering the corporate strategy, managing operational performance and ensuring effective use of resources in line with the Board's strategic direction.

Remuneration of Board Members

Board remuneration is independently benchmarked every two years to ensure the Association can attract and retain the skills and experience required at Board level. The most recent external review was undertaken in November 2025.

Board Members are also entitled to claim reasonable reimbursement for travel, subsistence and other expenses incurred in undertaking their duties.

Remuneration of Chief Officers

The remuneration of members of the Executive Management Team (except the Chief Executive) is determined by the Governance & People Committee. The Committee also recommends the remuneration of the Chief Executive for approval by the Board.

The Association's approach is to benchmark remuneration against the housing sector to ensure pay is appropriate, competitive and reflective of the scope and responsibilities of each role. Salaries are set with reference to comparable positions and individual accountability.

Members of the Executive Management Team are employed on specific service agreements, which include appropriate notice periods aligned with sector practice.

Directors' Indemnity

The Association maintains Directors' and Officers' indemnity insurance, which is reviewed annually to ensure appropriate cover is in place.

Value for Money (VfM) Statement

Our approach

Eastlight's approach to value for money (VfM) is rooted in its Corporate Strategy 2024–27, where financial resilience is one of seven core principles guiding how we operate and make decisions.

Our Value for Money Strategy 2024–2027, supported by the annual VfM statement and long-term business plan, sets out how we deliver this in practice. VfM is embedded across the organisation rather than treated as a standalone activity, and there are clear links to wider priorities including asset management, risk management, customer involvement and workforce capability.

Oversight sits with the Board, which monitors performance through regular financial and operational reporting. This is supported by the Finance and Treasury Committee and the Audit and Risk Committee, which provide detailed scrutiny of financial performance, risk and investment. The Customer Influence Committee ensures that resident priorities are reflected in how services are designed and delivered, providing an important line of challenge and assurance.

VfM is built into our core processes. This includes annual budget setting, where efficiency targets are identified and embedded, and our 30-year business plan, which ensures long-term sustainability. Performance is tracked through monthly management accounts, including the Regulator's VfM metrics, with comparison against budget, prior year and peer benchmarks.

Reinvestment of VfM gains

Eastlight continues to reinvest resources into homes and services, ensuring that strong financial performance delivers tangible outcomes for residents.

During 2025-26, we strengthened our funding position through refinancing with Santander, Lloyds and Danske Bank, securing improved pricing, extended maturities and greater flexibility. This included sustainability-linked loan facilities, where borrowing costs are linked to performance against environmental and social targets. Delivery against these measures resulted in reduced borrowing margins during the year.

This approach supports a strong balance sheet, reduces reliance on borrowing and enables continued investment in our homes and services.

Delivering new homes

Providing new homes remains a core part of our value for money approach. During 2025-26, 341 homes were completed, exceeding our annual target and bringing total delivery since 2020 to 1,876 homes.

At 31 March 2026, Eastlight owned and managed 14,909 homes across a balanced tenure mix, including social rent, affordable rent, shared ownership and housing for older people. This mix enables us to meet a range of needs while maintaining stable income streams.

Our development programme remains strong, with 470 homes in contract and a further 470 in the forward pipeline. Delivery is supported by robust governance, including scheme-level appraisal, ensuring each development aligns with our financial capacity and strategic priorities.

Quality and sustainability remain central to our approach. Our Development Design Guide sets clear standards for land-led schemes, while we continue to influence quality through engagement with partners delivering through Section 106.

Development performance

Our development programme continues to deliver strong financial returns alongside new supply. During the year, this included £2.3m savings on development costs, additional £2.9m of expected income from shared ownership sales, £1.9m in rental income, £1.7m in shared ownership surplus and £2.5m from staircasing activity.

This reflects a disciplined approach to cost control and delivery, ensuring development contributes positively to our overall financial performance.

Investing in existing homes

Alongside development, we continue to invest in the homes we already own. During 2025-26, £13.2 million was invested in major capital works, ensuring that all homes met the Decent Homes Standard at year-end.

This investment is guided by our Asset Management Strategy 2024-2027 and informed by stock condition data, enabling us to deploy resources effectively. Works delivered during the year included kitchens, bathrooms, heating systems, roofs, windows and fire safety improvements.

Strong contract management meant we were able to deliver significantly more improvements than originally planned, demonstrating effective use of resources and clear value for money. Investment also supported improved energy efficiency, helping to reduce costs over time.

£2.3m
saved on
development costs

£2.5m
generated through
shared ownership
staircasing



1,021
homes became void

Making best use of our homes

Efficient management of our existing stock remains a priority. During 2025-26, 1,021 homes became void, including 251 first-time lets, with an average re-let time of 52 days.

While this remains above our target, improvement plans are in place, including increased resourcing, improved coordination across teams and streamlined processes. Progress is monitored through regular reporting.

We have also improved utilisation of other assets, with 367 garages let during the year, helping to reduce backlog and increase income.

Repairs and operational efficiency

Our in-house Home Solutions Team continues to deliver an integrated repairs service. During 2025-26, the first-time fix rate improved to 87.13%, with 84.04% of responsive repairs completed within target timescales.

Efficiency has been improved through better scheduling, stronger resident scrutiny and investment in digital tools, including mobile systems, AI-enabled triaging and drone surveys.

Procurement continues to support value for money. Our partnership with Travis Perkins has strengthened supply chain performance, improving consistency, supporting sustainability and enabling better value through responsible sourcing and lower-carbon materials.

Tackling damp and mould

Demand for damp and mould services remained high, with 1,691 cases reported during the year. All Category 1 cases were addressed within required timescales, with the majority requiring follow-on work due to the complexity of underlying issues.

Our Healthy Homes Team continues to focus on early intervention and effective case management, supported by monitoring technology, helping to improve outcomes for residents and reduce longer-term costs.

Investment in communal areas

Alongside investment in homes, Eastlight has increased its focus on estates and communal areas, recognising the direct link between these environments, resident satisfaction and long term asset value.

During 2025-26, a £2.6m programme was approved to improve communal spaces across the portfolio. This investment was informed by a combination of asset data, resident feedback and insight from colleagues, ensuring resources were targeted where they would have the greatest impact.

A structured approach was used to prioritise works. This means each project was assessed against consistent criteria, including building condition, resident feedback, usage levels and potential impact, ensuring funding was directed efficiently and delivered clear value for money.

This targeted investment has contributed to a significant improvement in resident satisfaction. Satisfaction with communal areas (TP10) increased from 58.9% in 2024-25 to 66.6% in 2025-26, while satisfaction with Eastlight's contribution to neighbourhoods (TP11) improved from 59.6% to 67.3%. These results reflect the positive impact of increased visibility of investment and a stronger focus on resident involvement.

Works delivered during the year included improvements to flooring, communal doors and access systems, bin stores, paving and wider environmental enhancements. At Queens Road in Braintree, for example, previously worn and dated communal areas were transformed into brighter, safer and more welcoming spaces, improving both resident experience and pride in place.

Residents have played a central role in shaping these improvements. Through consultation and feedback, residents influenced design choices and priorities, supporting a clear “you said, we did” approach. This has strengthened trust, improved satisfaction and ensured investment reflects what matters most to communities.

Further examples of impact include the installation of new play areas, improved recycling facilities, scooter storage and security enhancements such as CCTV and fencing. At Tweed Close and Conies Road, resident feedback directly informed works to address fly tipping and anti-social behaviour, delivering both practical and social value.



7 organisations
awarded funding
through the Braintree
District and Eastlight
Community Fund

Social value and resident influence

During 2025-26, the Braintree District and Eastlight Community Fund supported a range of organisations delivering vital services across the community. Funding was awarded to:

- Braintree District Mencap CIO (£25,000), supporting a Family Support Officer for people with learning disabilities
- Essex Dementia Care (£23,000), delivering dementia care services
- The Haven Project (£17,000), providing mental health support
- Essex Boys and Girls Clubs (£11,000), delivering youth engagement through the Respect Project
- The Archer Community Trust (£2,679), supporting 'cooking on a budget' sessions and a clothing bank
- Crossroads Braintree and Chelmsford Ltd (£2,500), providing respite support for carers
- SOUL – Singing Outreach Unity and Love (£1,000), supporting a community choir to reduce isolation.

This investment supports a wide range of needs, including mental health, disability support, youth services and food poverty, helping to build stronger and more resilient communities.

Resident influence remains central to how we deliver value. Through the Customer Influence Committee, the Resident Members Charter and our wider engagement approach, residents directly shape service priorities and decisions, ensuring we focus our resources where they make the greatest difference.

Our Resident Academy supports this by helping residents build the skills and confidence to engage effectively, with more than 5,000 views of learning content since launch.

Resident engagement and value for money

Our approach to resident engagement is designed to ensure that resources are targeted where they have the greatest impact, delivering clear value for money for residents. We do this by putting residents at the centre of decision making and giving them real influence over how investment in their neighbourhoods is prioritised.

Our Eastlight Resident Groups (ERGs) provide a strong, place based model for engagement across four areas – ERG Mid (Braintree and surrounding villages), ERG South (Witham and surrounding villages), ERG North (Halstead and surrounding villages) and ERG Colchester. These groups bring residents and staff together through regular meetings and estate walkabouts to identify local priorities and agree practical solutions.

Each ERG has a dedicated budget of up to £7,500 to spend on neighbourhood improvements. This devolved approach ensures funding is directed by residents who understand local need, reducing the risk of misdirected or low impact spend. It also enables faster; more responsive decision making and ensures that even small investments deliver visible and meaningful outcomes.

This model is supported by a wider engagement framework, including the Active Resident Network, Customer Influence Committee and Resident Academy, which ensures feedback is captured consistently and used to inform decision making at all levels of the organisation.

Over the past year, ERGs have delivered a range of low-cost, high impact improvements that demonstrate the value of this approach. In Braintree, residents enhanced Godric Place with new benches and planters, creating welcoming shared spaces that encourage social interaction and wellbeing. The association also supported local initiatives, including the Black Notley Guides and the Coggeshall Christmas Committee, extending the benefit of investment into the wider community.

In Witham, residents worked with a local partner to install raised flower beds at Honeysuckle Way and Alan Road, improving the appearance of communal areas while encouraging ongoing resident involvement in maintaining them. The association also supported local organisations such as Silver Baby & Tots and the Guides and Brownies, helping to sustain valued community services.

In Halstead, residents delivered practical improvements including a picnic bench at Colne Valley Close and communal planters at Conies Road, increasing pride in place and encouraging greater community connection. These examples show how relatively small, resident led investments can deliver significant social value. By improving shared spaces, strengthening community networks and increasing resident pride, these interventions also contribute to preventative value by reducing future costs associated with neglect, dissatisfaction or low engagement.

Our approach combines face to face engagement with cost effective digital methods and partnership working with local organisations, ensuring we maximise reach while managing costs. This balanced model allows us to build strong relationships with residents while maintaining efficiency.

Overall, resident engagement plays a key role in our value for money approach by ensuring that spending decisions are shaped by real insight, targeted effectively and deliver outcomes that matter most to our residents and communities.





82%
of debt at fixed rates

Investing in people and opportunity

We also recognise the importance of investing in people. During 2025-26, the Dale Butcher Work Experience Programme provided a resident with structured, practical experience in asset management and development, alongside a recognised qualification.

The programme supports skills development, confidence and pathways into employment, while strengthening the link between residents and the services we deliver.

Delivering VfM through our Financing Activities

In 2025-26 Eastlight refinanced its existing Revolving Credit Facilities (RCF) with Santander and Lloyds, increasing both quantum and tenor, and improving its pricing and covenant package. In addition to this a £50m 10-year Term Loan Facility was arranged with Santander, with a further £30m of funding being raised through a bond issue via the Affordable Housing Guarantee Scheme (AHGS) over an eleven-year term. Funding was raised following a competitive tender process, with the bids made, and outcomes achieved, bolstering our liquidity and financial capacity, reflecting the confidence lenders and investors have in us. Expensive facilities were either cancelled or allowed to expire with significant cost savings being made and VfM being achieved.

Several of Eastlight facilities are Sustainable Linked Loans (SLL) with margin reduction being received for achieving prescribed Environmental, Social & Governance (ESG) targets. Eastlight received margin reductions across a number of facilities in 2025/26 for achieving ESG targets.

Eastlight has a balanced attitude to financial risk and seeks to both minimise cost and maximise income. A recent review of our Treasury Management Policy has set a cash holding limit of £7m (previously £8m) resulting in lower costly drawn balances.

During 2025-26 Eastlight fixed a further £40m of funding at fixed rates with 82% of debt being fixed at the end of March 2026. This sits within the boundaries set by our Treasury Management Policy and provides certainty on funding costs for the majority of our debt portfolio. We believe there is scope to achieve further savings in this area through identification of opportunities as debt levels increase. Evaluation of the right quantum, term and pricing are all to be considered as part of our Treasury Annual Plan.

Our robust and proactive approach to treasury management ensures that Eastlight maintains excellent access to funding. We plan so that we can navigate the market on our own terms to secure favourable deals, rather than being forced to accept less attractive options due to financial pressure.

Value for Money Metrics

Our Board prioritises VfM to ensure that Eastlight uses its resources effectively and maximises the positive impact we make on Eastlight residents and the wider community.

We also use the Regulator of Social Housing's VfM Metrics to assess our performance and benchmark ourselves against other organisations. We can confirm compliance with the VfM Standard. Our selected peer group includes organisations that are similar in terms of status, operating models and geographical locations. In choosing these peers, we also looked for their strategic goals aligning with our focus on resident involvement and community empowerment. Additionally, we include organisations whose size and development plans align with our ambitions as outlined in our Corporate Strategy 2024–27.

Our benchmarking is based on data sourced from the Global Accounts and VfM metrics reports, compiled by the Regulator of Social Housing for the year ending March 2025 (the most recent information available).

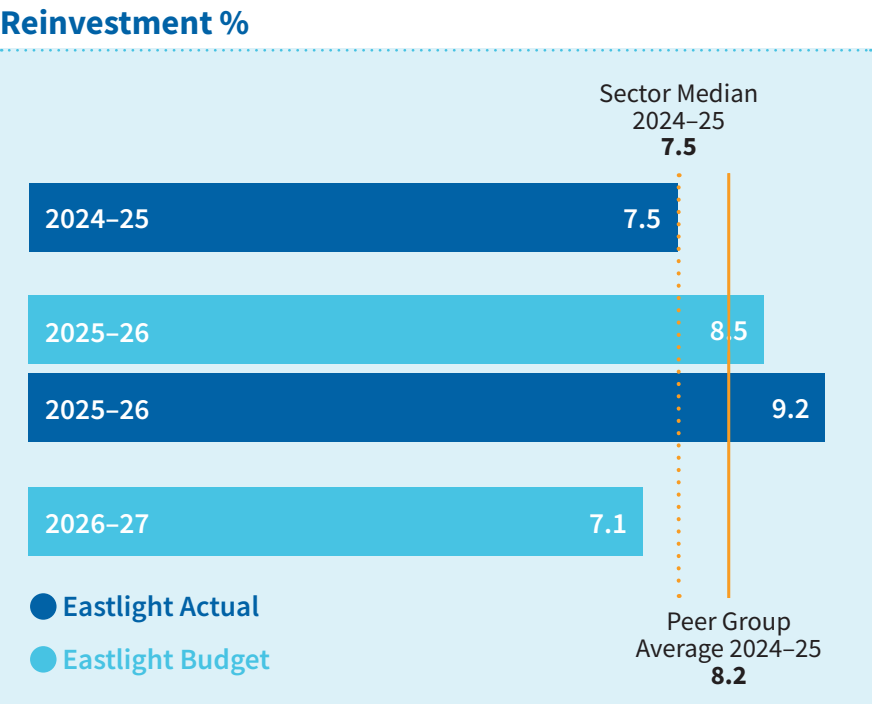
Given the continued economic pressures we have sustained over the last 12 months, we do not believe that comparing Eastlight's current performance to its peer group in a previous year will yield a clear analysis. Hence, the analysis that follows compares Eastlight's performance in the previous year to that of others in 2024–25. Furthermore, it compares our latest performance (2025–26) against our own results for 2024–25.

Given that both the trade press and the Regulator's Quarterly Surveys have extensively documented the pressures faced by most associations, it is unlikely that some of the negative changes we observe in our own metrics over the past year are exclusive to Eastlight. We can only make a meaningful assessment of our latest performance against our peers when the annual accounts of all associations for 2025–26 are published.



Benchmarking Analysis

(All VFM metrics presented are based on association only)



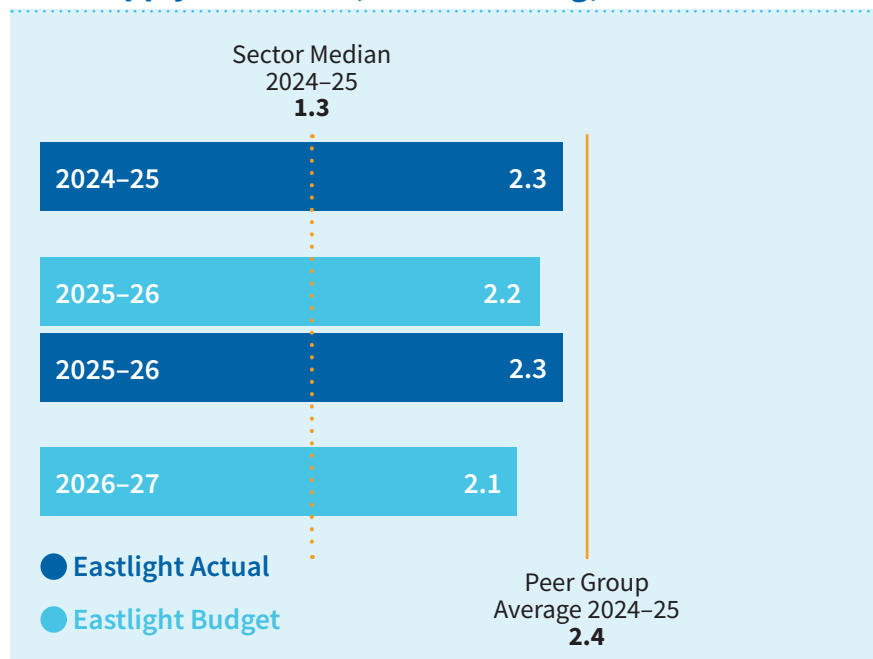
What this metric means in simple terms
This metric shows how much a housing association invests per year in improving its homes or developing new ones, compared to the total value of its properties.

2024-25 benchmarking – comparing like-with-like
Our 2024-25 reinvestment rate was 7.5%. This was in line with the sector median (7.5%) and but lower than our peer group average (8.2%).

2025-26 update – comparing Eastlight’s year-on-year results
Our reinvestment rate in 2025-26 increased by 1.7% to 9.2%. This was higher than budgeted; despite difficult market conditions we continue to invest in new properties to help resolve the housing crisis.

We expect our reinvestment rate to decrease in the next financial year to 7.1% as we continue to balance new supply with investment in existing homes.

New Supply Delivered (Social Housing) %



What this metric means in simple terms

This metric measures by how much a housing association has increased its number of homes in the year, in percentage terms.

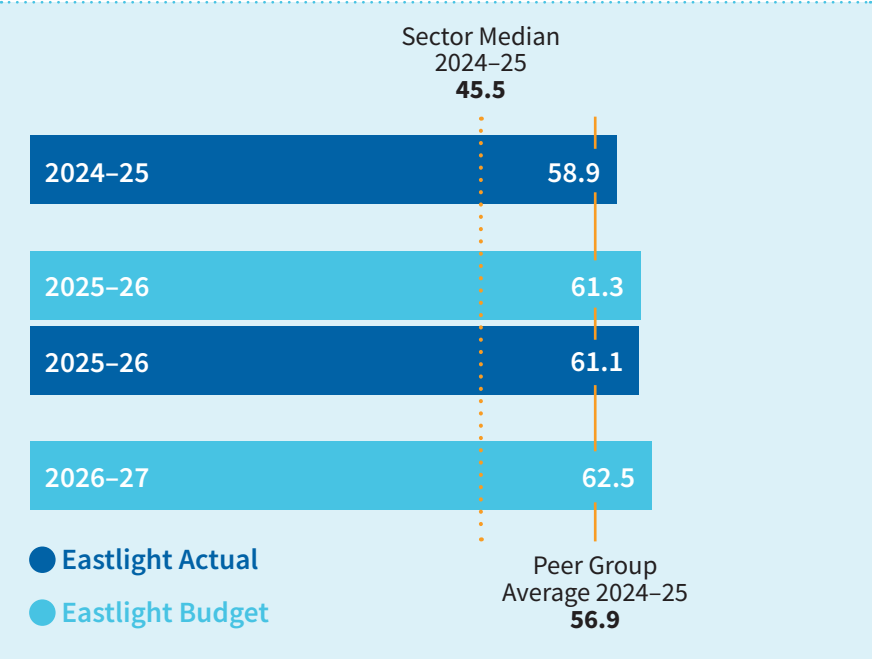
2024-25 benchmarking – comparing like-with-like

We completed 328 new homes in 2024-25, increasing our total number of affordable homes by 2.3%. This was higher than the sector median (1.3%) and 0.1% less than our peer group average (2.4%).

2025-26 update – comparing Eastlight's year-on-year results

We completed 341 new homes in 2025-26, a 4% increase on the previous year. This was an increase on the budget but 0.1% less than the peer group average of 2.4%.

Gearing %



What this metric means in simple terms

What this metric means in simple terms
This metric shows how much debt a housing association has compared to what its homes and other assets are worth. Generally, a high gearing ratio might indicate a higher level of financial risk and less capacity for the housing association to increase borrowings, but this depends on each housing association’s circumstances.

2024-25 benchmarking – comparing like-with-like

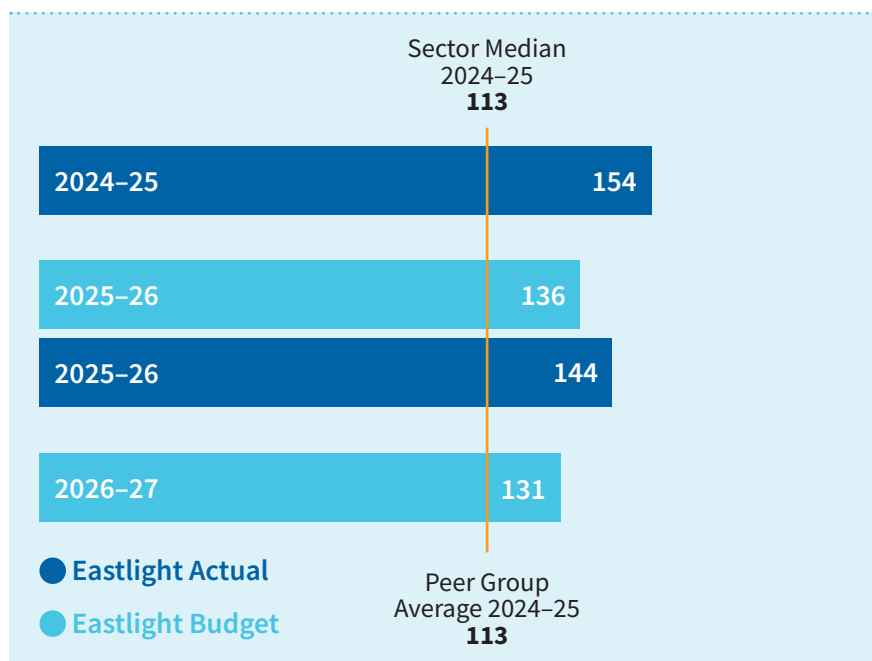
Our gearing was 58.9% at the end of 2024-25. This was higher than both the peer group (56.9%) and the sector median (45.5%).

2025-26 update – comparing Eastlight’s year-on-year results

To continue our ambitious development programme, Eastlight needs to borrow more money to put towards the investment. This year, we followed our strategy and increased our borrowing, resulting in a higher gearing ratio of 61.1%, up by 2.2%.

Despite this increase, our borrowing capacity remains strong and healthy. Our business plan expects continued borrowing to support us in building more homes. However, we will make sure that our borrowing stays at manageable levels to preserve our financial strength and resilience.

EBITDA-MRI Interest Cover %



What this metric means in simple terms

This metric helps us understand a housing association's ability to cover its interest payments using its operating income. A higher ratio indicates we are more able to cover our interest payments and is a sign of financial strength.

2024-25 benchmarking – comparing like-with-like

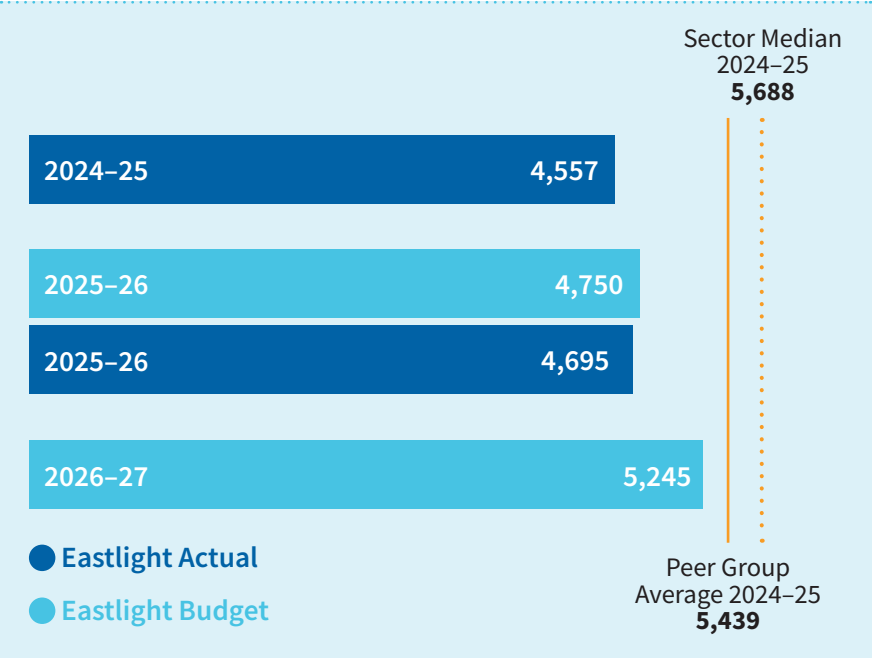
Our EBITDA-MRI interest cover was 154% in 2024-25, far stronger than both the sector median (113%) and peer group average (113%).

2025-26 update – comparing Eastlight's year-on-year results

In 2025-26, we achieved interest cover of 144% which is 10% lower than the previous year. This was higher than our budget target, representing strong performance despite pressure on both operating and interest costs.

Recognising that these pressures are likely to continue, we aim to maintain an EBITDA-MRI interest cover of at least 131% in 2026-27; this is a key target in our budgets and business plans. This provides us with a healthy buffer above our interest cover golden rule requirements and ensures our financial stability.

Headline Social Housing Cost per unit £



What this metric means in simple terms

This metric shows how much a housing association spends per year to manage and maintain each social housing home, allowing for overheads. Generally, a lower cost per unit suggests more efficiency.

2024-25 benchmarking – comparing like-with-like

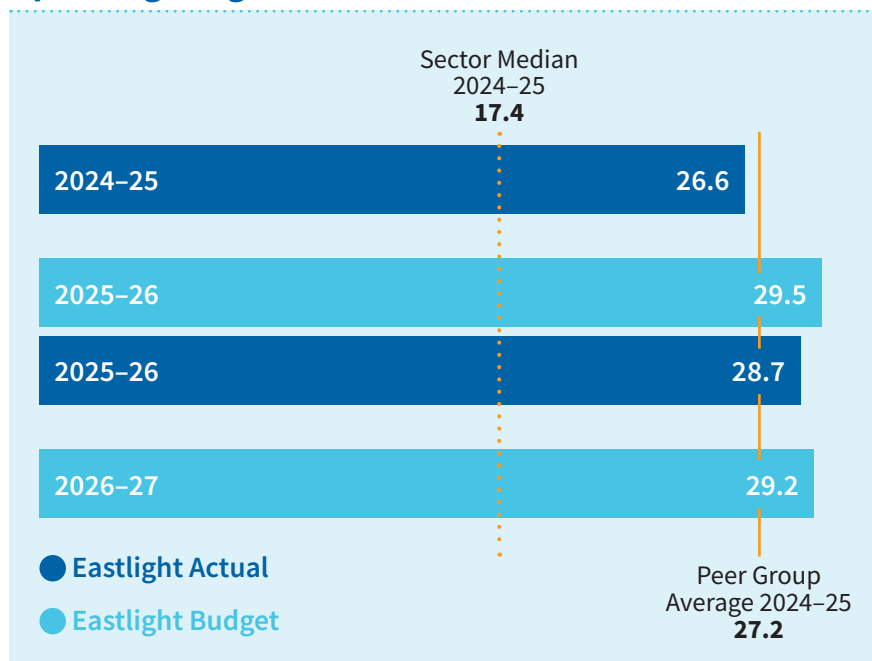
Our social housing cost per unit was £4,557 per unit in 2024-25. This was well below the sector median (£5,688) and the peer group average (£5,439).

2025-26 update – comparing Eastlight’s year-on-year results

In 2025-26, we continued to see pressure on operating costs with the cost per unit rising from £4,557 in 2024-25 to £4,695. This increase was mainly due to the continued high levels of inflation affecting our key services. Additionally, labour shortages forced us to rely more on subcontractors, which increased costs. However, this was far lower than our budget for the year.

In our budget for 2026-27, we expect the cost per unit to continue rising due to our ongoing efforts to improve our homes, deliver EPC-C and Net Carbon Zero obligations. However, we will strive to find ways to limit these increases by identifying opportunities to save money without compromising the positive impact we make.

Operating Margin – Overall %



What this metric means in simple terms

This metric helps us measure the financial performance of a housing association across all its activities, including shared ownership sales and community investment. A higher operating margin indicates we keep a higher amount of our income after deducting costs. This leaves more money to reinvest in providing better services and building or improving homes.

2024-25 benchmarking – comparing like-with-like

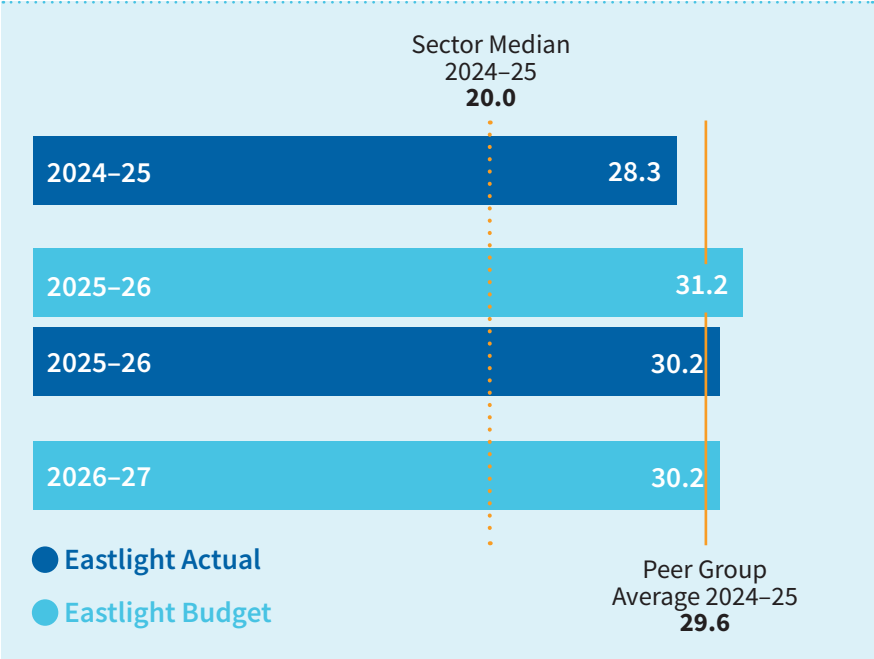
Our overall operating margin was 26.6% in 2024-25. This was higher than the sector median (17.4%) but slightly lower than the peer group average (27.2%).

2025-26 update – comparing Eastlight's year-on-year results

In 2025-26, our overall operating margin rose by 2.1% to 28.7%, but lower than the budget of 29.5%. The decrease was due to reduced first tranche sales in the last quarter of the year.

In our budget for 2026-27, we anticipate the overall operating margin improving to 29.2%. This allows for the April 2026 rent increase, additional income from first tranche sales and reduced reliance on maintenance subcontractors.

Operating Margin – Social Housing Lettings %



What this metric means in simple terms

This metric helps us measure the financial performance of a housing association’s core social housing lettings activity. A higher operating margin indicates that we keep a higher amount of our income after deducting costs. This leaves more money to reinvest in providing better services and building or improving homes.

2024-25 benchmarking – comparing like-with-like

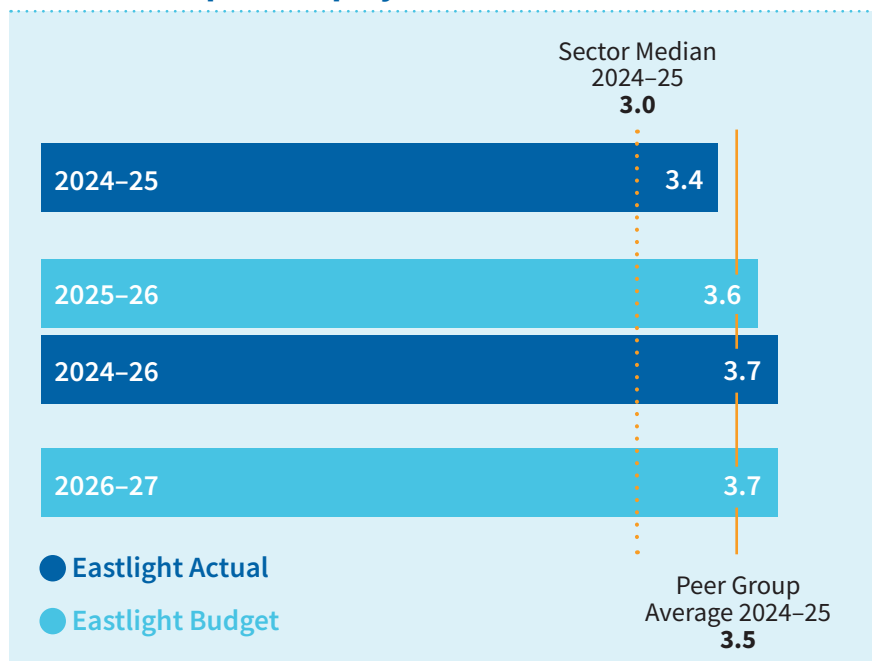
Our social housing lettings operating margin was 28.3% in 2024-25, well ahead of the sector median (20.0%) but slightly lower than the peer group average (29.6%).

2025-26 update – comparing Eastlight’s year-on-year results

In 2025-26, our social housing lettings operating margin rose by 1.9% to 30.2%. Although an improvement, this was slightly behind our target for the year of 31.2%. This rise was mainly due to higher rental income due to annual increases plus additional homes from our development programme. We also tightened our scrutiny and control of operating expenditure during the year.

In our budget for 2026-27, we anticipate the social housing lettings operating margin staying at 30.2%. This allows for the April 2026 rent increase and reduced reliance on maintenance subcontractors.

Return on Capital Employed %



What this metric means in simple terms

This metric helps show how effectively a housing association drives income as a percentage of the total capital invested in the organisation. A higher return on capital employed (ROCE) indicates greater financial efficiency and effectiveness.

2024-25 benchmarking – comparing like-with-like

Our ROCE was 3.4% in 2024-25, below the peer group average (3.5%) and higher than the sector median (3.0%).

2025-26 update – comparing Eastlight's year-on-year results

Our ROCE in 2025-26 was 3.7%, which was higher than the prior year.

Our budget for 2026-27 expects us to achieve ROCE at 3.7%.



Environmental, Social & Governance (ESG)

Our Environmental Efforts

Sustainability remains a core principle within Eastlight's Corporate Strategy, reflecting our ambition to operate in an increasingly sustainable way and reduce the environmental impact of building, maintaining and living in an Eastlight home.

In line with this, our Sustainability Strategy, alongside our Asset Management Strategy 2024-27 and Design Guide, sets out how we will build new homes and invest in our existing homes in ways that are environmentally responsible. We also aim to support residents to manage and reduce their energy use, helping to address fuel poverty and improve affordability.

Our approach to achieving our environmental ambitions, including progression towards EPC-C and Net Zero Carbon, is informed by our responsibility to respond to the climate emergency, meet legislative requirements and improve the long-term performance of our homes and neighbourhoods.

Our Asset Management Strategy makes clear that we will continue to take a fabric-first approach to improving homes, reducing energy demand, lowering costs for residents and supporting long-term sustainability outcomes. This is supported by ongoing research, data and the introduction of new technologies to improve performance over time.

During 2025-26, 78.8% (10,229 homes) of our 12,983 existing homes were rated EPC C or above. The remaining homes were either below EPC C or did not have a current EPC rating recorded, meaning further assessment or improvement may be required to confirm or raise their rating.

All new homes delivered during the year met or exceeded expected energy performance standards. Of the 341 homes completed, 97% achieved EPC-B or above, including 14% rated EPC-A, 83% EPC-B and 3% EPC-C, reflecting strong performance against our design and sustainability requirements.

Our Design Guide continues to set out clear expectations for the design, construction and long-term management of new homes. It ensures that sustainability, customer experience and environmental performance are considered from the outset across all Eastlight-led schemes. While the majority of delivery is through Section 106 agreements, where responsibility sits with the developer, our Design Guide establishes the standards we expect.

During the year, we strengthened our understanding of climate risks. A stock-wide flood risk assessment undertaken as part of our 2024-25 insurance renewal identified a limited number of homes with material risk, primarily relating to surface water flooding. Updated risk data is now being embedded into our systems, supporting more targeted and proactive investment planning.

Our approach to mitigating climate risk is embedded across development and asset management. For new homes, this includes the use of sustainable drainage systems, landscape-led design and passive design measures such as building orientation, shading and natural ventilation to reduce overheating and environmental impact.

While water stress and overheating have not yet been formally mapped through standalone assessments, these risks are addressed through our design standards and wider asset management approach. For existing homes, we are increasingly using data and technology to monitor environmental conditions, enabling earlier intervention and supporting future investment decisions.

During 2025-26, we also strengthened our carbon baseline through updated carbon auditing. This provides improved insight into emissions across our homes and operations and identifies areas where further data and monitoring are required to support future strategy development.



**97% of
new homes**
completed achieved
EPC-B or above

Sustainability is also reflected in our procurement approach. Since October 2025, materials have been procured through a managed service partnership, supporting responsible sourcing and reducing environmental impact. This includes improved transparency of product data, access to lower-carbon materials and a high proportion of certified timber. In 2025, 96.5% of timber procured was sourced from certified sustainable forests.

Our approach to biodiversity and green space is guided by our Sustainability Strategy and Design Guide. These set out how we seek to protect and enhance natural habitats, support biodiversity and improve the quality of outdoor environments. For land-led developments, we aim to achieve at least the required Biodiversity Net Gain, supported by ecological surveys, planting and habitat creation.

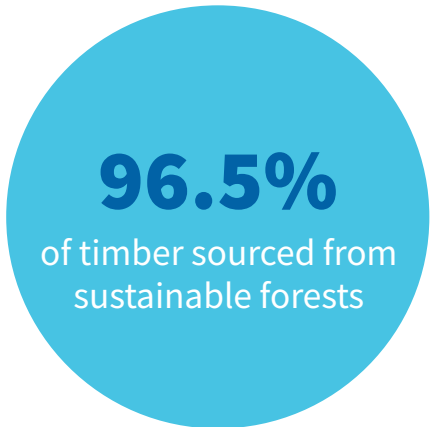
Across existing estates, we continue to maintain and improve green spaces, supporting both environmental outcomes and resident wellbeing. Understanding of biodiversity across our stock is continuing to develop, supported by recommendations from our most recent carbon audit.

Eastlight's approach to waste management is delivered through its operational practices, Sustainability Strategy and Design Guide. At operational sites, waste is separated into different streams using designated bins and managed by external providers. These providers confirm that waste is processed responsibly, including recycling and energy recovery.

While Eastlight-specific waste data is not currently available, supplier reporting shows that across their operations, 57,224.64 tonnes of waste was recycled, 39,146.32 tonnes converted into energy and approximately 99% diverted from landfill. Performance is tracked through supplier data, carbon audits and annual reporting, with ongoing work to improve the quality and granularity of data over time.

Although Eastlight does not currently have a standalone water management strategy, water efficiency is addressed through our Sustainability Strategy, Design Guide and operational practices. New developments are designed to reduce potable water use through low-water fixtures, efficient appliances and consideration of rainwater and grey water recycling.

At our Braintree site, a rainwater harvesting system demonstrated the impact of this approach. Over a six-month period, 106.141 m³ of rainwater was used, reducing reliance on mains supply. Based on usage data, without this system total mains consumption could have increased from 291 m³ to approximately 503 m³, demonstrating a significant reduction in potable water demand.



96.5%

of timber sourced from
sustainable forests

Beyond reducing consumption, our approach also seeks to optimise water quality and promote accessibility, while ongoing engagement with residents helps us understand how sustainability features are performing and informs future improvements.

Sustainability and climate-related risks are formally recognised within Eastlight's Strategic Risk Register. The principal risk relates to the organisation not meeting environmental and sustainability requirements, including energy efficiency or carbon-related standards, which could result in non-compliance, financial impact or operational pressures.

To mitigate this risk, Eastlight has embedded its net zero ambition within the Business Plan, alongside a clear target to achieve EPC-C across all homes by 2030. This is supported by detailed, property-level investment planning, external expertise, internal leadership oversight and a defined Sustainability Strategy. Adoption of the Sustainability Reporting Standard for Social Housing further strengthens monitoring and reporting, ensuring transparency and continuous improvement.

Read more about our performance against the SRS in our dedicated ESG Report 2025-26, published on our website: www.eastlighthomes.co.uk/publications



106.141m³
of rainwater
used via harvesting
system at Braintree
office

Our Social Impact

Launched in 2024, our Resident Engagement and Community Empowerment Strategy continues to guide our approach to resident engagement and community investment during 2025-26. The strategy builds on our existing work while introducing new opportunities for resident participation and feedback, strengthening partnerships with local stakeholders and supporting residents to develop skills, confidence and influence.

It reinforces our ambition to deliver trusted, local, place-based services, supported by strong partnerships and a coordinated neighbourhood model. Progress continues to be measured through Tenant Satisfaction Measures (TSMs) and improvements in service delivery and customer experience.

Residents are supported to influence services through a range of engagement opportunities, including local groups, consultations and learning programmes. This approach is underpinned by a resident-led governance framework embedded within Eastlight's wider organisational structure, ensuring that resident voice remains central to decision-making.

Resident involvement continued to grow during the year, alongside improvements in overall satisfaction across key measures. This reflects continued investment in homes and services, alongside a strong focus on listening to residents and acting on feedback.

Eastlight continues to work in partnership with local organisations to deliver joined-up support for residents, particularly those with more complex needs. This approach has enabled targeted financial, welfare and tenancy support during the year, helping residents to manage rising living costs, sustain their tenancies and maintain stable homes.

Our place-based model enables consistent, localised support, helping to resolve issues quickly while building trusted relationships within communities. Residents continue to be supported across a range of needs, including safeguarding, domestic abuse and anti-social behaviour, through coordinated and proportionate interventions.

Community investment remains a key part of Eastlight's social impact, supporting local organisations that deliver vital services across communities. Alongside this, Eastlight has continued to invest in neighbourhoods through physical improvements and engagement activity, strengthening relationships and supporting more responsive services.

Resident-led groups continue to deliver local projects that enhance shared spaces, improve the appearance of estates and strengthen community connections.

90.5%
of Stage 1 complaints
completed within
10 days

Through this combined approach – bringing together resident involvement, partnership working and targeted investment – Eastlight continues to strengthen communities, improve services and deliver positive outcomes for residents.

Complaints Performance 2025–26

Building on the overall position set out above, complaints performance during 2025–26 demonstrates generally strong timeliness, with some challenges in more complex cases.

At Stage 1, performance against the 10-day resolution target was strong, with 90.5% of complaints completed within timeframe. The average time to close a Stage 1 case was 10.2 days, indicating a timely and consistent service.

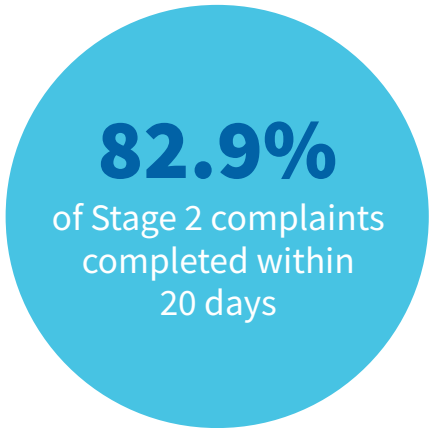
At Stage 2, 82.9% of complaints were completed within the 20-day target. While most cases were handled within timeframe, the average resolution time was 56 days. This reflects a small number of more complex cases that took significantly longer to resolve and had a disproportionate impact on overall performance.

Referrals to the Housing Ombudsman Service (HOS) should be considered in the context of extended timescales, as residents have up to 12 months to escalate complaints and determinations may take a further 6–12 months. As a result, cases reported in-year may relate to earlier reporting periods.

During 2025–26, a number of improvements were implemented to strengthen complaint handling and address underlying causes. This included root cause analysis to better understand complaint drivers, review of external best practice (including Housing Ombudsman guidance), and the development of a lessons learned approach to identify and address process gaps across operational teams. Complaint handling performance and approach were also reviewed with the Customer Influence Committee, and an audit completed in October 2025 provided “reasonable assurance” over the service.

In addition, ongoing measurement of the end-to-end customer journey has strengthened service insight, while additional resource has been introduced to support increased demand and improve consistency.

These actions have enhanced both oversight and operational delivery, positioning the service to continue improving performance and customer outcomes in the coming year.



82.9%
of Stage 2 complaints
completed within
20 days



Our Resident-led Governance Structure

Our Customer Influence Committee (CIC) continues to play a central role in ensuring Eastlight remains resident-led. The Committee comprises nine members and operates as a full Committee of the Board, providing oversight, challenge and assurance that services remain focused on what matters most to residents.

CIC members contribute directly to strategic decision-making, review policies and services, and bring insight based on lived experience. They play a key role in holding the organisation to account and ensuring that resident priorities are reflected in our approach.

The Committee includes eight Eastlight residents and one Board member with lived experience of social housing. Three CIC members also sit on the Board, providing a direct link between resident voice and formal governance. During 2025–26, these members were Board Member Catherine Turner, who also serves as Chair of the Customer Influence Committee, Board Member Amandeep Singh Kalra, and Trainee Board Members Steve Bentall (who served during part of the year) and Magenta Lavey, who was appointed during 2025–26. This reflects Eastlight’s ongoing commitment to developing resident leadership and supporting pathways into governance roles.

In her role as CIC Chair, Catherine Turner also serves as Eastlight’s Member Responsible for Complaints (MRC), as required by the Complaint Handling Code. This role provides additional assurance on the effectiveness of the complaints process, including oversight of performance, trends and learning, with regular reporting to the Board.

Eastlight has adopted the National Housing Federation Code of Conduct (2022) and operates clear processes for identifying, declaring and managing conflicts of interest. These are set out within our Governance Framework, Probity Policy and Board Membership Policy, ensuring transparency and accountability across our governance arrangements.

Further detail on our governance framework and performance is available in Eastlight’s ESG Report, published on our website: www.eastlighthomes.co.uk/publications



Statement on Internal Controls Assurance

Responsibility

As the ultimate governing body, the Board is responsible for the system of internal control, which is designed to provide reasonable assurance regarding:

- the safeguarding of assets against unauthorised use or disposal
- the maintenance of proper accounting records and the reliability of financial information used within the business or for publication.

Key procedures have been established and are designed to provide effective internal control. These cover control environment, reporting and information systems, monitoring and risk management.

Review of Internal Controls

The Board has reviewed the effectiveness of the system of internal control, including the sources of assurance agreed by the Board, and is satisfied that these are appropriate.

Based on the evidence provided, the Board is satisfied that adequate systems of internal control were in place and operated effectively throughout the year.

The Board is also satisfied that these systems form part of an ongoing process for identifying and managing the significant risks facing the Association. No significant weaknesses were identified during the year that resulted in material misstatement or loss requiring disclosure in the financial statements.

Control Environment & Key Controls

The Board has established an organisational structure with clearly defined lines of responsibility and delegated authority. These are set out within the Governance Framework, Financial Regulations, Scheme of Delegated Authority, Committee Terms of Reference and supporting operational procedures. These arrangements are reviewed regularly.

Key control processes, which are reviewed annually and revised where necessary, include:

- strategic business planning
- the recruitment of experienced members of the Executive Management Team and senior staff
- regular performance monitoring
- control over capital investment projects
- the setting of standards and targets for health and safety
- data protection
- whistleblowing and confidential disclosure
- fraud prevention and detection
- environmental performance.

Established procedures are maintained across all key service areas. The Board is satisfied that appropriate action is taken to address any identified weaknesses.

Information & Reporting Systems

The Board approves the Annual Budget and Business Plan. Performance against budget is reported regularly to the Board, with variances explained and corrective actions identified where required. Cashflow forecasts, borrowing position and compliance with financial covenants are also monitored regularly.

Financial and regulatory returns are submitted to the Regulator of Social Housing and to funders in accordance with requirements.

The Executive Management Team meets regularly to review operational and financial performance. Cash balances are monitored frequently, alongside updated forecasts of funding requirements.

In addition, a range of reports covering key areas, including treasury management and insurance, are reviewed by the Board or relevant Committees.

Monitoring System

The system of internal control is monitored through an internal audit function, which is outsourced to a specialist provider.

An annual internal audit opinion was provided following completion of the 2025-26 audit plan, confirming that the Association has an adequate and effective framework for risk management, governance and internal control.

**Established
procedures**
across all key
service areas

A rolling Audit Needs Assessment informs a risk based internal audit plan, focused on the areas of highest risk. Progress against the plan and audit findings are reported regularly to the Audit & Risk Committee.

Monitoring is also undertaken by the Executive Management Team and senior managers through routine performance and assurance activity.

Fraud

The Association has policies in respect of preventing, detecting and investigating fraud, bribery, corruption and money laundering. We are aware of an increasing number of attempts to fraudulently obtain funds electronically.

A fraud register is maintained and reported regularly to the Audit & Risk Committee.

No material loss has been incurred by the Association in the year. In 2024-25, we procured specialist assurance company, TIAA, to enhance our approach to identifying and tackling fraud.

Risk Management

The Board receives regular reports on key strategic risks through the Strategic Risk Register.

A formal Risk Management Framework is in place, supported by a defined risk appetite and a suite of financial “Golden Rules” used to monitor exposure. The Board undertakes stress testing of the Business Plan against key risks.

Members of the Executive Management Team are responsible for identifying and managing risks within their areas, supported by appropriate controls and mitigation actions.

The Strategic Risk Register is reviewed regularly by the Executive Management Team and presented to the Board and Audit & Risk Committee. All Board and Committee reports include consideration of relevant risks.



“Golden Rules”
used to monitor
exposure to risk

Statement of Compliance – Governance & Financial Viability Standard

As a Registered Provider, Eastlight is required to comply with the Regulatory Framework issued by the Regulator of Social Housing.

During 2025, the Association was subject to a full regulatory inspection by the Regulator of Social Housing. Following this inspection, Eastlight retained its G1 (Governance) and V1 (Viability) ratings and was awarded a C2 Consumer grading.

As at 31 March 2026, the Association holds G1 (Governance) and V1 (Viability) ratings and a C2 Consumer grading.

Further to a review of our C2 rating in July 2026, this was re-evaluated to C1 and confirmed by the RSH on 29 July 2026.

The Board considers the Association to be compliant with the Governance and Financial Viability Standard in all material respects.

Statement of the Board's Responsibilities in Respect of the Financial Statements

The Board is responsible for preparing Eastlight's Annual Report and Financial Statements in accordance with applicable law and regulations.

The Co operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year, which give a true and fair view of the Association's financial position and performance, including its income and expenditure.

In preparing the financial statements, the Board is required to:

- Select suitable accounting policies and apply them consistently
- Make reasonable and prudent judgements and estimates
- State whether applicable accounting standards have been followed, subject to any material departures
- Prepare the financial statements on a going concern basis unless it is inappropriate to do so.

Disclosure of Information to the Auditors

The members of the Board confirm that, so far as they are aware, there is no relevant audit information of which the Association's auditors are unaware. The Board has taken all necessary steps to ensure that it is aware of relevant audit information and that the auditors are also aware of that information.

In preparing the Strategic Report, the Board has followed the principles set out in the Statement of Recommended Practice for Social Housing Providers (Housing SORP 2018)

The Strategic Report was approved by the Board on 30 July 2026 and signed on its behalf by:

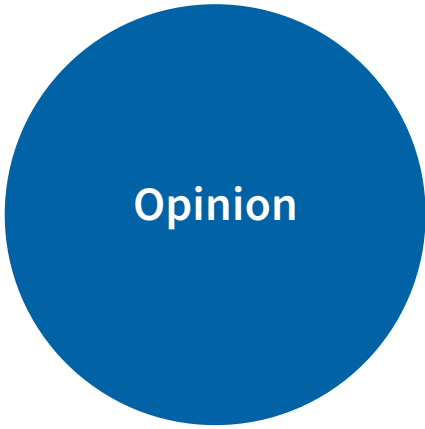


Chris Cheshire

Interim Chair

Eastlight Community Homes

Independent Auditor's Report



Opinion

We have audited the financial statements of Eastlight Community Homes Limited (the Association) for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 2. 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 Association's affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, 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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

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

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

Other Information

The other information comprises the information included in the Strategic 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 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.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 36, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 Association, 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 Co-operative and Community Benefit Societies Act 2014, 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.

- The risk of fraud and non-compliance with laws and regulations 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 regulated nature of the Association'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 our report

This report is made solely to the members of the Association, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Menzies LLP

Menzies LLP
Statutory Auditor

Date: 11 August 2026

4th Floor
95 Gresham St
London
EC2V 7AB

Statement of Comprehensive Income

For the year ended 31 March 2026

	Notes	2026 £'000	2025 £'000
Turnover	3	107,569	110,862
Cost of sales	3	(4,538)	(13,573)
Operating expenditure	3	(72,123)	(67,822)
Surplus/(deficit) on disposal of property, plant and equipment	4	4,257	1,125
Operating surplus		35,165	30,592
Interest receivable	5	505	582
Interest and financing costs	6	(22,047)	(19,104)
Movement in fair value of investment properties	14	425	–
Movement in fair value of financial instruments	22	77	250
Surplus before tax		14,125	12,320
Taxation on surplus on ordinary activities	10	–	–
Surplus after tax		14,125	12,320
Actuarial gain/(loss) relating to pension schemes	21	–	(657)
Change in fair value of hedged financial instruments	22	8	1,099
Total comprehensive income/(loss) for the year		14,133	12,762

The Statement of Comprehensive Income relates wholly to continuing activities and the notes on pages 77 to 111 form an integral part of these Financial Statements.

The Financial Statements were approved and authorised for issue by the Board on 30 July 2026 and were signed on its behalf by:

Chris Cheshire

Chris Cheshire

Interim Chair

Simon Jones

Simon Jones

Board Member and Chair
of Audit & Risk Committee

Harriet Rushton

Harriet Rushton

Company Secretary

Statement of Financial Position

at 31 March 2026

	Notes	2026 £'000	2025 £'000
Fixed assets			
Intangible assets	11	1,723	577
Housing properties	12	971,858	900,294
Other property, plant and equipment	13	5,760	5,752
Investment properties	14	2,480	2,055
Investments	15	4,471	3,702
		986,292	912,380
Current assets			
Stock	16	5,092	4,232
Debtors due in less than one year	17	6,073	6,447
Cash		6,182	14,651
		17,347	25,330
Creditors: Amounts falling due within one year	18	(39,037)	(23,609)
Net current assets/(liabilities)		(21,690)	1,721
Total assets less current liabilities		964,602	914,101
Creditors: Amounts falling due after more than one year	19	(643,259)	(606,804)
Derivative financial instruments	22	2,157	2,071
Defined benefit pension asset/(liability)	21	(250)	(250)
Net assets		323,250	309,118
Capital and reserves			
Called up share capital	24	–	1
Revenue reserve		226,693	212,769
Revaluation reserve		93,343	94,112
Cashflow hedge reserve		2,151	2,143
Restricted reserve		1,063	93
Total reserves		323,250	309,118

The Statement of Comprehensive Income relates wholly to continuing activities and the notes on pages 77 to 111 form an integral part of these Financial Statements.

The Financial Statements were approved and authorised for issue by the Board on 30 July 2026 and were signed on its behalf by:

Chris Cheshire

Chris Cheshire
Interim Chair

Simon Jones

Simon Jones
Board Member and Chair
of Audit & Risk Committee

Harriet Rushton

Harriet Rushton
Company Secretary

Statement of Changes in Reserves

For the year ended 31 March 2026

ASSOCIATION	Uncalled Share Capital £'000	Restricted Reserve CHIP Fund £'000	Restricted Reserve Social Housing Proceeds £'000	Revaluation Reserve £'000	Revenue Reserve £'000	Cashflow Hedge Reserve £'000	Total £'000
At 1 April 2024	1	93	-	94,737	200,481	1,044	296,356
Surplus for the year	-	-	-	-	12,320	-	12,320
Depreciation on Deemed Cost Uplift	-	-	-	(603)	603	-	-
Transfer between reserves	-	-	-	(22)	22	-	-
Actuarial loss on pension scheme	-	-	-	-	(657)	-	(657)
Change in fair value of hedged instruments	-	-	-	-	-	1,099	1,099
At 1 April 2025	1	93	-	94,112	212,769	2,143	309,118
Surplus for the year	-	-	-	-	14,125	-	14,125
Social Housing Proceeds	-	-	970	-	(970)	-	-
Depreciation on Deemed Cost Uplift	-	-	-	(591)	591	-	-
Transfer between reserves	-	-	-	(178)	178	-	-
Change in Share Capital	(1)	-	-	-	-	-	(1)
Change in fair value of hedged instruments	-	-	-	-	-	8	8
At 31 March 2026	-	93	970	93,343	226,693	2,151	323,250

Statement of Cash Flows

For the year ended 31 March 2026

	2026 £'000	2025 £'000
Net cash generated from operating activities (Note A)	42,865	53,564
Cash flows from investing activities		
Purchase of property, plant and equipment	(90,708)	(135,599)
Purchase of investments	(769)	(1,780)
Proceeds from sale of property, plant and equipment	7,865	2,586
Grants received	1,116	437
Grants recycled from contingent liability	(92)	–
Interest received	505	595
Net cash flows from investing activities	(82,083)	(133,761)
Cash flows from financing activities		
Interest paid	(23,419)	(20,536)
Bond Premium	(266)	1,040
New loans	66,300	151,700
Loan repayments	(11,866)	(52,479)
Net cash flows from financing activities	30,749	79,725
Net increase/(decrease) in cash and cash equivalents	(8,469)	(472)
Cash and cash equivalents at beginning of year		
Cash	14,651	15,123
	14,651	15,123
Cash and cash equivalents at end of year		
Cash	6,182	14,651
	6,182	14,651

Statement of Cash Flows

For the year ended 31 March 2026

NOTE A	2026 £'000	2025 £'000
Surplus after tax	14,125	11,654
Adjustments for non-cash items		
Depreciation	16,384	14,689
Impairment	291	260
Amortisation of intangible assets	18	23
Amortisation of Government grant	(916)	(976)
Amortisation of Debt Refinancing cost	(511)	(149)
Increase / (decrease) in stock	(860)	7,198
(Increase) / decrease in debtors	374	(1,104)
Increase / (decrease) in creditors	(2,551)	5,998
Pension movements	-	(2,596)
Movement in fair value of financial instruments	(77)	(250)
Movement in fair value of investment properties	(425)	-
Borrowing Cost Capitalised	(1,644)	-
Adjustments for investing or financing activities		
Surplus on disposal of property, plant and equipment	(4,257)	(1,125)
Interest payable	23,419	20,537
Interest receivable	(505)	(595)
Net cash inflow from operating activities	42,865	53,564

The notes on pages 77 to 111 form an integral part of the Financial Statements.

Notes to the Financial Statements

1 – Legal Status

Eastlight Community Homes Limited is incorporated in England under the Co-operative & Community Benefit Societies Act 2014 (Registration Number: 30124R) and is registered with the Regulator for Social Housing as a Private Registered Provider of Social Housing (Registration Number: L4499). The registered office is Eastlight House, Charter Way, Braintree, Essex, CM77 8FG.

As a public benefit entity, Eastlight Community Homes Limited has applied the public benefit entity ‘PBE’ prefixed paragraphs of FRS 102.

2 – Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year. A summary of the more important accounting policies is set out below. The Board is satisfied that the current accounting policies are the most appropriate for the Association.

General information and basis of accounting

The Financial Statements have been prepared under the historical cost convention, modified where appropriate, to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and to comply with the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP), the Housing & Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022 and the requirements of the Co-operative & Community Benefit Societies Act 2014.

Due to the dissolution of Iceni on 9 December 2025, a fully owned subsidiary of Eastlight Community Homes and Emerald New Homes Limited being dormant the accounts have been prepared solely based on the performance Eastlight Community Homes.

Following the Transfer of Engagements of Colne Housing Society Limited to Greenfields Community Housing Limited, in accordance with Section 110 of the Co-operative & Community Benefit Societies Act 2014, on 1 July 2020, the assets, liabilities, operations and future obligations of Colne Housing Society transferred to Greenfields Community Housing Limited. The activities of Colne Housing Society Limited and Greenfields Community Housing Limited have operated as Eastlight Community Homes Limited (“Eastlight”) since 1 July 2020.

The Board has also considered the impact of continued economic uncertainties created by the conflict in Ukraine & Iran as well as other external factors, high inflation and higher interest rates as examples on its operations, the principal risks identified and the steps taken to mitigate where possible the impact of these risks. They have concluded that there is a reasonable expectation that Eastlight has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the Annual Report & Financial Statements are signed. For this reason, Eastlight adopts the going concern basis in the Financial Statements.

Accounting Convention

The Financial Statements have been prepared under the historical cost convention or deemed cost for assets held at the date of transition to FRS 102 and on a going concern basis.

Turnover

Turnover represents rent and service charges receivable (net of rent and service charge losses from voids) and disposal proceeds of current assets, such as shared ownership first tranche sales at completion together with revenue grants from local authorities and other bodies, and amortisation of government grants, and income from other services invoiced in the year (excluding VAT).

Turnover is recognised on an accrual basis. Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

Where variable service charges are used, the charges will include an allowance for the surplus or deficit from prior years, 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.

Interest Payable & Loan Finance Issue Costs

Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue. Loan interest costs are calculated using the effective interest rate method of the difference between the loan amount at initial recognition and the amount at maturity of the related loan. Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development. Other interest payable is charged to the Statement of Comprehensive Income in the year.

Loan finance issue costs 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.

Value Added Tax

The Association charged value added tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The Financial Statements include VAT to the extent that it is suffered by the Association and not recoverable from HM Revenue & Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Corporation Tax

The Association is registered as a charity with HM Revenue & Customs and is not subject to corporation tax on its income. Should the Association become liable for corporation tax, it will be calculated at the rate applicable on any surplus it generates from non-charitable activities.

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income or expense recognised directly in reserves is also recognised directly in reserves.

Intangible Assets

Intangible assets are stated at historic cost, less accumulated amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Computer software	5 years
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Property, Plant & Equipment – Housing Properties

Housing properties are properties available for rent and properties subject to shared ownership leases.

Completed housing properties for rent or shared ownership are stated at cost or deemed cost for assets held at the date of transition to FRS 102, less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings (allocated on a pro-rata basis for mixed tenure developments), directly attributable development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements. Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to the bringing of the property into their intended use.

Capitalisation of development costs ceases when, substantially, all the activities that are necessary to get the asset ready for use are complete.

Improvements are works which result in an increase in the net rental income, including a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. Only direct expenditure and direct overhead and salary costs associated with new developments or improvements are capitalised. Other improvements and maintenance expenditure are expensed to the Statement of Comprehensive Income as incurred.

Depreciation is charged to write down the net book value of housing properties to their estimated residual value, on a straight-line basis, over their useful economic lives. Freehold land is not depreciated. Where housing properties comprise two or more major components with substantially different useful economic lives, each component is accounted for separately for depreciation purposes and depreciated over its individual useful economic life.

Depreciation on freehold housing properties is charged as follows:

Structural Works	100 years
Roofing	60 years
Insulation	50 years
Sheltered Remodeling	50 years
Windows	30 years
Doors	30 years
Bathrooms	30 years
Rewiring	30 years
Central Heating	30 years
Estate Works	30 years
Fire Systems	30 years
Kitchens	20 years
Renewable Energy	20 years
Lifts	20 years
Boilers	15 years
Flat Roofing	15 years
Digital TV Installations	10 years
Closed Circuit Television	7 years

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Shared Ownership Property Sales

Shared ownership properties, including those under construction, are split between fixed assets and current assets. The split is determined by the percentage of the property to be sold under the first tranche disposal, which is shown on initial recognition as a current asset, with the remainder classified as a fixed asset within property plant and equipment.

Proceeds from the first tranche disposals are accounted for as turnover in the Statement of Comprehensive Income in the period in which the disposals occur and the cost of sale is transferred from current assets to operating costs. Proceeds from subsequent tranche sales are treated as disposals of fixed assets.

Sale of Housing Properties

The sale of properties under the Right to Buy or Right to Acquire schemes are treated as sales of fixed assets and not as properties developed for sale. The surplus or deficit arising on a Right to Buy sale on stock transferred from Braintree District Council is shown net of the share due to Braintree District Council, after deducting the cost of the properties and related sale expenses. All sales of fixed asset properties are shown as a separate item within operating surplus in the Statement of Comprehensive Income..

Properties Sold at Auction

The sale of unsustainable properties at auction are treated as sales of fixed assets and not as properties developed for sale. The surplus or deficit arising is shown after deducting the cost of the properties and related sale expenses. All sales of fixed asset properties are shown as a separate item after the operating surplus in the Statement of Comprehensive Income. The net proceeds of sale at auction of unsustainable properties transferred from Braintree District Council, after deducting allowable expenses, are credited to the Social Housing Proceeds Reserve for re-investment in social housing properties with Braintree District Council's consent

Non-Housing Property, Plant & Equipment

Non-housing property, plant and equipment is stated at historic cost, less accumulated depreciation and any provision for impairment. Depreciation is provided on all non-housing property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Office equipment, fixtures & fittings	5 years
Plant & machinery	5 years
Computer equipment	3 years
Freehold offices	40 years

The useful economic lives of all tangible fixed assets are reviewed annually. A full month's depreciation charge is provided in the month of acquisition with no depreciation charge provided in the month of disposal of assets.

Impairment

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, the Association will determine the level at which impairment is to be assessed (i.e. the cash-generating unit). An impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of each asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Comprehensive Income.

The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential, plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and is included in the Statement of Comprehensive Income.

Investments

Eastlight owns 100% of shares in subsidiary Emerald New Homes Limited, which is currently dormant.

Shares held in bond aggregator MORHomes are held as investments. As part of the bond agreement, there is also a Contingent Convertible, which is held as an investment. The premium received on bond drawdown is included in Creditors greater than one year and amortised over the period of the bond.

Investment Properties

Investment properties consist of market rent properties not held for social benefit. Investment properties, completed and under construction, are measured at cost on initial recognition and subsequently carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised as part of the surplus for the year.

Stock

Stock is stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price, less the cost to complete and sell. Cost is based on the cost of purchase on an average cost basis.

Cash & Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Current Asset Investments

Investments are stated at fair value. Current asset investments include cash and cash equivalents invested for periods of no more than three months. 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.

Short Term Debtors & Creditors

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

Provision for Bad Debts

The provision for bad debts is based upon the age of arrears. Arrears in respect of former residents are fully provided for. Arrears in respect of current residents are provided for at varying percentage rates based on the age of the debt.

Holiday Pay

Short-term employee benefits, including holiday pay, are charged to the Statement of Comprehensive Income in the period in which they accrue. Holiday entitlement due but not yet taken, is included in the Statement of Financial Position as an accrual within note 17.

This is measured at the undiscounted salary cost of the future holiday entitlement, so accrued at the date of the Statement of Financial Position.

Agreement to Improve Existing Properties (VAT Shelter)

As part of the transfer of properties from Braintree District Council, the Association entered into a Development Agreement for the refurbishment of the transferred properties.

The full contract income was invoiced on inception of the contract. The full anticipated cost of the contract was incurred on inception of the contract through an increase in the cost of the transferred properties.

Social Housing Grant & Other Government Grants

When grants are received from government agencies, such as Homes England, local authorities or other agencies which meet the definition of government grants, they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accrual model and are classified as grants relating to revenue or grants relating to assets. Grants relating to revenue are recognised in income over the period in which the costs that the grant relates to are recognised. Grants relating to assets are recognised in income over the expected useful life of the asset. Grants received for housing properties are recognised over the life of the property structure, whereas grants received specifically for components are recognised over the life of the component.

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income.

At the 31 March 2026 Eastlight Community Homes has a contingent liability with respect to the capital grants received that may be repayable should the units that the grants are attached to be disposed of or otherwise no longer be properties for social housing letting. This liability is the value of the grant income recognised to date and is the difference between the original grant value and the liability recognised as per Note 29 as well as grants attached to properties acquired from Clarion, L&Q & Estuary in the year which have been transferred to Eastlight Community Homes as a contingent liability.

Recycling of Grants

Where there is a requirement to repay or recycle a grant received for an asset that has been disposed of, a provision is included in the Statement of Financial Position to recognise this as a liability. Where the funding body gives approval to use the grant for a specific development, the amount previously recognised as a provision is reclassified as a creditor in the Statement of Financial Position.

Where there is no obligation to repay the grant on disposal of the asset, any unamortised grant in the Statement of Financial Position is de-recognised as a liability and recognised as revenue in the Statement of Comprehensive Income.

Contingent Liabilities

A contingent liability is disclosed for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources, or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made. This includes a contingent liability reflecting the potential future obligation to repay a Social Housing Grant on acquired properties when properties are disposed of.

Pensions

Eastlight exited the Social Housing Pension Scheme (SHPS) in April 2024, an industry wide multi-employer defined benefit pension scheme and makes payments on behalf of its employees. On exit, the Association settled its outstanding liabilities but has included a provision for potential further liabilities from an ongoing legal case.

Eastlight also exited the Local Government Pension Scheme (LGPS) in April 2024, which is a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay. The LGPS was closed to new employees in 2008 other than those with deferred rights. The fund is accounted for under FRS 102. On exit, the Association settled its outstanding liabilities.

The Association also participates in a Defined Contribution Scheme provided by Standard Life. This is the main pension fund and auto-enrolment vehicle for the Association.

Service Charge Sinking Funds & Service Costs

Unutilised contributions to service charge sinking funds and over-recovery of service costs, which are repayable to residents or leaseholders, or are intended to be reflected in reductions to future service charge contributions, are recognised as a liability in the Statement of Financial Position. The amount included in liabilities in respect of service charge sinking funds includes interest credited to the fund. Where there has been an under-recovery of leaseholders' or residents' variable service charges and recovery of the outstanding balance is virtually certain, the balance is recognised in the Statement of Financial Position as a trade receivable. Debit and credit balances on individual schemes are not aggregated, as there is no right to set-off.

Financial Instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

Financial Assets Carried at Amortised Cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables. Financial assets are initially recognised at transaction price plus directly attributable transaction costs. After initial recognition, they are classified as loans and receivables and are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial Liabilities Carried at Amortised Cost

Financial liabilities include trade and other payables, and interest-bearing loans and borrowings.

Non-current debt instruments, which meet the necessary conditions in FRS 102, are initially recognised at transaction price, adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Derivative Financial Instruments

Eastlight uses derivative financial instruments to reduce exposure to interest rate movements. Eastlight does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value, at each reporting date. Fair value gains and losses are recognised in surplus or deficit unless hedge accounting is applied, and the hedge is a cash flow hedge.

To qualify for hedge accounting, Eastlight documents the hedged item, the hedging instrument and the hedging relationship between them, and the causes of hedge ineffectiveness (such as different maturities, nominal amounts or variable rates, and counterparty credit risk).

Eastlight elects to adopt hedge accounting for interest rate swaps where:

- The interest rate swap is a qualifying hedging instrument with an external party that hedges interest rate risk on a loan, part of the nominal amount of a loan, or a group of loans managed together that share the same risk and that qualify as a hedged item
- The hedging relationship between the interest rate swap and the interest rate risk on the loan is consistent with the risk management objectives for undertaking hedges (i.e. to manage the risk that fixed interest rates become unfavourable in comparison to current market rates or the variability in cash flows arising from variable interest rates)
- The change in the fair value of the interest rate swap is expected to move inversely to the change in the fair value of the interest rate risk on the loan.

Cashflow Hedge – Hedge of Variable Interest Rate Risk

Where an interest rate swap that converts variable rate debt into fixed rate debt qualifies for hedge accounting, it is accounted for as a cash flow hedge. The cumulative change in the fair value of the interest rate swap is recognised in other comprehensive income up to the amount of the cumulative fair value movement on the variable rate debt that is attributable to the variable interest rate risk. Any excess fair value gains or losses on the interest rate swap not recognised in the Statement of Comprehensive Income is recognised as a surplus or deficit. The gain and loss recognised in other comprehensive income are recorded as a separate component of equity (the cash flow hedge reserve).

Net cash settlements on the interest rate swap are recognised as a surplus or deficit in the period(s) when the net cash settlements accrue. The cash flow hedge reserve is reclassified as a surplus or deficit when the variable rate interest is recognised in the Statement of Comprehensive Income.

Hedge accounting is discontinued when a floating to fixed-interest rate swap expires, is sold, terminated or exercised, or when the conditions for hedge accounting are no longer met or Eastlight documents its election to discontinue hedge accounting. Any fair value gains or losses accumulated in the cash flow hedge reserve are reclassified to the Statement of Comprehensive Income, either when the variable interest rate expense is recognised as a surplus or deficit, or immediately on the discontinuation of hedge accounting if future variable interest rate cash flows are no longer expected to occur.

Leased Assets – Operating Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

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

Restricted Reserves

The Association establishes restricted reserves for specific purposes where their use is subject to external restriction. The nature of the restriction is disclosed in the relevant note.

Community Development

The Association has established a Community Housing Investment Partnership (CHIP) Fund under a covenant included within the transfer agreement with Braintree District Council. The Fund is established as a restricted reserve, as the use of the Fund is restricted under the transfer agreement. Restrictions on the fund are for funding development of new social housing, development of facilities for community benefit, environmental improvements in Braintree, regeneration activities and projects identified in the Annual Strategy. Movements in reserves are shown in the Statement of Changes in Reserves.

Social Housing Proceeds Reserve

Eastlight and Braintree District Council have an agreement that proceeds for properties sold at auction or through open market sale can be re-invested in full for properties with social or affordable rent with Braintree District Council's consent. These funds are held as a restricted reserve until they are used for this purpose. Movements in reserves are shown in the Statement of Changes in Reserves.

Revaluation Reserve

The difference between historical cost depreciation and depreciation charged on the deemed cost balance is transferred from the revaluation reserve to the revenue reserve annually. The revaluation reserve represents the difference on transition between the fair value of the social housing properties and other assets, and the historical cost carrying value, where deemed cost transitional relief was taken.

Significant Management Judgements & Key Sources of Estimation Uncertainty

The preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed on page 86.

Valuation of Housing Properties

On the adoption of FRS 102, housing assets were revalued to deemed cost as at 1 April 2014, replacing the previous historic cost valuation.

Impairment of Social Housing Properties

Each year, the Association makes an assessment as to whether an indicator of impairment exists. In making the judgement, management consider the detailed criteria set out in the SORP.

Fair Value Measurement

Management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases the assumptions on observable data as far as possible, but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual proceeds that would be achievable in an arm's length transaction at the reporting date.

Bad Debt Provision

Provision is made for bad and doubtful debts, based upon the age of the debt and using factors recognised in the sector for that purpose.

Other Provisions

Provision is made for dilapidations and redundancy costs. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

3 – Note A – Particulars of Turnover, Cost of Sales, Operating Costs & Surplus

2026	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Surplus/ (deficit) on disposal £'000	Operating surplus/ (deficit) £'000
Social Housing Lettings (Note B)	100,681	–	(70,634)	–	30,047
Other Social Housing activities					
First tranche property sales	6,231	(4,538)	–	–	1,693
Charges for support services	–	–	(202)	–	(202)
Development administration	8	–	(386)	–	(378)
Other	–	–	(743)	–	(743)
Activities other than Social Housing activities					
Community Empowerment	–	–	(78)	–	(78)
Surplus on disposal of fixed assets	–	–	–	4,257	4,257
Other	444	–	–	–	444
Market Rents	205	–	(80)	–	125
Total	107,569	(4,538)	(72,123)	4,257	35,165

2025	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Surplus/ (deficit) on disposal £'000	Operating surplus/ (deficit) £'000
Social Housing Lettings (Note B)	91,716	–	(65,808)	–	25,908
Other Social Housing activities					
First tranche property sales	18,082	(13,573)	–	–	4,509
Charges for support services	–	–	(43)	–	(43)
Development administration	–	–	(254)	–	(254)
Other	–	–	(1,440)	–	(1,440)
Activities other than Social Housing activities					
Community Empowerment	–	–	(224)	–	(224)
Surplus on disposal of fixed assets	–	–	–	1,125	1,125
Other	1,001	–	–	–	1,001
Market Rents	63	–	(53)	–	10
Total	110,862	(13,573)	(67,822)	1,125	30,592

3 – Note B – Particulars of Income & Expenditure from Social Housing Lettings

	General Needs Housing £'000	Supported Housing and Housing for Older People £'000	Shared Ownership £'000	Garages £'000	2026 Total £'000	2025 Total £'000
Income						
Rent receivable net of identifiable service charges	84,380	3,807	5,560	1,420	95,167	86,947
Service charge income	2,202	1,782	614	–	4,598	3,793
Amortised government grants	916	–	–	–	916	976
Turnover from social housing lettings	87,498	5,589	6,174	1,420	100,681	91,716
Expenditure						
Management	(19,831)	(1,447)	(1,998)	(316)	(23,592)	(22,414)
Service charge costs	(3,436)	(1,557)	(355)	(13)	(5,361)	(4,445)
Routine maintenance	(11,614)	(636)	(12)	(175)	(12,437)	(12,748)
Planned maintenance	(5,341)	(324)	(6)	(76)	(5,747)	(5,017)
Major repairs expenditure	(5,749)	(352)	(1)	(38)	(6,140)	(5,532)
Bad debts	(643)	(11)	(10)	(1)	(665)	(680)
Depreciation of housing properties	(14,095)	(872)	(891)	–	(15,858)	(14,193)
Depreciation / Amortisation of other fixed and intangible assets	(466)	(29)	(48)	–	(543)	(519)
Impairment of housing properties	(291)	–	–	–	(291)	(260)
Operating costs	(61,466)	(5,228)	(3,321)	(619)	(70,634)	(65,808)
Operating surplus social housing lettings	26,032	361	2,853	801	30,047	25,908
Void losses	763	293	–	376	1,432	2,040

4 – Surplus on Disposal of Property, Plant & Equipment

	2026 £'000	2025 £'000
Sale Proceeds		
Right to Buy (RTB)	650	34
Shared Ownership	4,179	1,207
Auction	2,739	139
Right to Acquire (RTA)	275	230
Other sales	–	540
Other Fixed Asset disposals	16	–
Land sales	6	436
Proceeds	7,865	2,586
Costs of sale		
Right to Buy (RTB)	(666)	(71)
Shared Ownership	(1,762)	(565)
Auction	(1,057)	(18)
Right to Acquire (RTA)	(31)	(37)
Transfer to RCGF	(92)	–
Other sales	–	(400)
Land sales	–	(370)
Cost of sale	(3,608)	(1,461)
	4,257	1,125

5 – Interest Receivable

	2026 £'000	2025 £'000
Bank interest receivable	505	582
	505	582

6 – Interest & Financing Costs

	2026 £'000	2025 £'000
Bank loans and overdrafts	22,838	20,011
Loan expenses amortised	783	627
Other interest payable	70	48
	23,691	20,686
Borrowing Costs Capitalised	(1,644)	(1,582)
	22,047	19,104

Borrowing costs on properties during construction have been capitalised based on the weighted average cost of capital of 4.01% (2025: 4.12%).

7 – Operating Surplus

	2026 £'000	2025 £'000
Operating surplus stated after charging/(crediting):		
Depreciation of property, plant and equipment	16,384	14,687
Amortisation of Computer Software	18	23
Impairment of property, plant and equipment	291	260
Materials Expensed in the year	2,424	2,036
Operating Lease Payments	869	906
Government grants	(916)	(976)
Gain/(loss) on disposal of fixed assets	4,257	1,125
Fees Paid to current auditors		
– Statutory audit	45	43
– Non audit services	8	5

8 – Staff Costs

	2026 £'000	2025 £'000
Wages and salaries	18,630	19,321
Social security costs	2,435	2,073
Other pension costs	1,332	1,537
	22,397	22,931

The Full-Time Equivalent (FTE) number of staff who received emoluments, based on a 37-hour week, including pension contributions, in excess of £60,000 were as shown below.

	2026 Number	2025 Number
Salary Band £		
60,000 – 69,999	20	23
70,000 – 79,999	10	9
80,000 – 89,999	2	4
90,000 – 99,999	3	3
100,000 – 109,999	5	3
110,000 – 119,999	1	–
120,000 – 129,999	–	–
130,000 – 139,999	–	–
140,000 – 149,999	–	–
150,000 – 159,999	–	3
160,000 – 169,999	2	–
170,000 – 179,999	1	1
180,000 – 189,999	2	1
190,000 – 199,999	–	–
200,000 – 209,999	–	1
210,000 – 219,999	–	–
230,000 – 239,999	–	1
240,000 – 249,999	1	–
	47	49
	2026 Number	2025 Number
The average full time equivalent number of employees was:	435	455

The average Full-Time Equivalent (FTE) number of employees was calculated taking the average of FTEs in post at the end of each calendar month.

9 – Directors' Remuneration & Transactions

	2026 £'000	2025 £'000
Directors who are executive staff members		
Wages and salaries	1,032	1,214
Social security costs	143	156
Other pension costs	99	105
Board Members		
Fees and Expenses		
– Hattie Llewelyn-Davies	23	22
– Simon Jones	14	13
– Kay Vowles	13	11
– Catherine Turner	13	11
– Gail Shadlock	12	10
– Chris Chesire	10	5
– Amandeep Kaira	10	4
– David Biggs	10	–
– Argiri Papathos	9	–
– David Russell	6	13
– Charanjit Patel	6	12
– Mike Johnson	6	10
– Phil Holland	4	–
– Steven Bentall	1	8
– Dale Butcher	–	6
– Michelle Baker	–	4
Committee Members - Fees and Expenses	43	55
	1,454	1,659

Directors are defined as the members of the Board, the Chief Executive and any other person who is a member of the Executive Management Team.

	2026 £'000	2025 £'000
Remuneration of the highest paid director, excluding pension contributions:		
Emoluments	221	221
	221	221

The Chief Executive is an ordinary member of the Association's defined contribution stakeholder type pension scheme. No enhanced or special terms apply.

10 – Taxation

	ASSOCIATION	
	2026 £'000	2025 £'000
UK Corporation Tax on surplus for the year	–	–
Adjustments in respect of prior periods	–	–
	–	–

A significant proportion of the Association's activities is recognised by His Majesty's Revenue & Customs as exempt charities for tax purposes and is therefore not liable to Corporation Tax on surpluses.

The tax assessed for the year is lower than the standard rate of Corporation Tax in the United Kingdom at 25% (2025: 25%). The differences are explained as follows:

	ASSOCIATION	
	2026 £'000	2025 £'000
Current tax reconciliation:		
Surplus on ordinary activities before tax	14,125	12,320
Surplus multiplied by 25% (2025: 25%) the standard rate of UK Corporation Tax	3,531	3,080
Non-taxable charitable activities	(3,531)	(3,080)
Total tax charge for the year	–	–

11– Intangible Fixed Assets

	Computer software £'000
Cost	
At 1 April 2025	682
Additions	1,164
Disposals	–
As at 31 March 2026	1,846
Amortisation	
At 1 April 2025	(105)
Charge for the year	(18)
Disposals	–
As at 31 March 2026	(123)
Net book value	
As at 31 March 2026	1,723
As at 31 March 2025	577

Amortisation is recognised in operating expenditure in the Statement of Comprehensive Income.

12 – Tangible Fixed Assets

	Completed rental properties £'000	Rental properties under construction £'000	Completed shared ownership £'000	Shared ownership under construction £'000	Total £'000
Cost or valuation					
At 1 April 2025 Restated	891,437	29,925	109,332	4,653	1,035,347
Additions	13,215	62,971	321	13,325	89,832
Disposals	(2,536)	–	(1,877)	–	(4,413)
Transfers – Completed Stock	56,932	(56,932)	12,305	(12,305)	–
Transfers to Other Categories	(109)	(674)	(260)	757	(286)
Adjustments	–	–	1,384	–	1,384
As at 31 March 2026	958,939	35,290	121,205	6,430	1,121,864
Depreciation					
At 1 April 2025	132,110	39	2,904	–	135,053
Charge for the year	14,967	–	891	–	15,858
Impairment charge	–	291	–	–	291
Transfers to Other Categories	39	(39)	–	–	–
Disposals	(1,077)	–	(119)	–	(1,196)
As at 31 March 2026	146,039	291	3,676	–	150,006
Net book value					
As at 31 March 2026	812,900	34,999	117,529	6,430	971,858
As at 31 March 2025 Restated	759,327	29,886	106,428	4,653	900,294

During the year Eastlight Community Homes Limited identified a misallocation of brought forward costs between Completed Rental Properties and Completed Housing Properties for Shared Ownership. This has been corrected as a prior year adjustment by adding £11,655k to Completed Housing Properties for Shared Ownership, and subtracting £11,655k from Completed Rental Properties, both at 1st April 2025. The adjustment relates to acquisitions from Other Housing Providers in the prior year and therefore does not affect the rest of the stock held.

The carrying value of assets with restricted title or held as security against liabilities as at 31 March 2026 was £356.8m (2025: £378.6m). All properties are held on a freehold basis. £13.2m (2025: £11.7m) was spent during the year on existing property components with a further £24.3m (2025: £23.3m) charged to the Statement of Comprehensive Income.

13 – Property, Plant & Equipment

	Freehold £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation			
At 1 April 2025	8,374	2,279	10,653
Additions	172	361	533
Disposals	–	(297)	(297)
As at 31 March 2026	8,546	2,343	10,889
Depreciation			
At 1 April 2025	3,050	1,851	4,901
Charge for the year	221	304	525
Disposals	–	(297)	(297)
As at 31 March 2026	3,271	1,858	5,129
Net book value			
As at 31 March 2026	5,275	485	5,760
As at 31 March 2025	5,324	428	5,752

14 – Investment Properties Held for Letting

	2026 £'000	2025 £'000
At 1 April	2,055	–
Acquisitions	–	2,055
Revaluation	425	–
At 31 March	2,480	2,055

Investment properties were valued at 31 March 2026 by JLL, professional qualified external valuers. The valuation of properties was undertaken in accordance with the Royal Institute of Chartered Surveyors Valuation Standards. In valuing the properties, the following significant assumptions were used: discount rate 7.25%; annual inflation rate 3.5%; level of long-term rent increase – September inflation CPI plus 1%.

15 – Fixed Asset Investments

	2026 £'000	2025 £'000
Share Capital		
Interest in Emerald New Homes Limited	–	–
Interest in MORhomes Plc	180	180
	180	180
Contingent Convertibles		
MORhomes CoCo	345	345
	345	345
Deposits		
Held on behalf of Affordable Housing Finance Plc	1,397	1,397
Held on behalf of Affordable Homes Guarantee Scheme	2,549	1,780
	3,946	3,177
	4,471	3,702

On 1 November 2007, the Association acquired one ordinary share of £1 in Emerald New Homes Limited, being 100% of the issued share capital. During the year under review, the company has been dormant and has no assets. The accounting period is the year ended 31 March 2026

Interest in Icení Homes Limited

Icení was established as a joint venture company owned by a group of registered providers including Eastlight. Eastlight agreed to acquire the interest of the only other remaining shareholder, Hundred Houses Society, which led to Icení Homes Limited becoming a wholly owned subsidiary of Eastlight on 1 August 2021.

The subsidiary did not trade in the year and was dissolved on 9th December 2025, at 31 March 2026, Icení Homes Limited was no longer a subsidiary of Eastlight.

Interest in MORhomes plc

At the start of the year Eastlight held 240,000 £1 ordinary shares in MORhomes plc, a public limited company incorporated on 21 September 2017 and registered in England and Wales. The shares were issued at an average discount of 25% giving a cash price of £180,000. An additional investment of £345k in respect of a Contingent Convertible (CoCo) agreement was also made at time of the additional drawing.

MORhomes is a bond aggregating vehicle for the UK social housing sector and provides funding to registered provider groups in England and Wales.

Eastlight may utilise MORhomes to issue fixed rate debt in the future subject to funding needs and market conditions.

Deposits

Deposits held on behalf of Eastlight represent the liquidity fund reserve held in trust in respect of funding received from Affordable Housing Finance plc, totalling £1.397m and Affordable Homes Guarantee Scheme, totalling £2.549m.

16 – Stock

	2026 £'000	2025 £'000
Completed properties for sale	4,644	2,529
Properties under development	188	1,109
Raw materials and consumables	260	594
	5,092	4,232

During the year, £2.424m of raw materials were expensed (2025: £2.036m).

17 – Debtors

	2026 £'000	2025 £'000
Amounts falling due within one year:		
Rent arrears	4,559	3,346
Provision for bad debts	(1,456)	(1,110)
Other debtors	269	318
Prepayments and accrued income	2,417	3,608
VAT	284	285
	6,073	6,447

18 – Creditors: Amounts Falling Due Within One Year

	2026 £'000	2025 £'000
Rents received in advance	2,134	1,978
Trade creditors	3,224	4,757
Other taxation and social security	532	602
Accruals and deferred income	12,950	12,900
Other creditors	9	15
Loans and grants	20,188	3,357
	39,037	23,609

19 – Creditors: Amounts Falling Due After More Than One Year

	2026 £'000	2025 £'000
Loans	580,442	542,813
Other creditors	747	729
AHF Bond Deferred Income	3,980	4,201
MORhomes Bond Deferred Income	2,087	2,279
AHGS Bond Deferred Income	513	857
Government grants	58,874	58,974
Recycled Capital Grant	751	398
Disposal Proceeds Fund	62	61
Less Debt Refinancing Costs	(4,197)	(3,508)
	643,259	606,804

	2026 £'000	2025 £'000
Deferred income – AHF Bond at 1 April		
Income Received	4,418	4,632
Amortisation to Statement of Comprehensive Income	(217)	(214)
As at 31 March	4,201	4,418
Due within one year	221	217
Due after one year	3,980	4,201

The deferred income represents a premium received on the issue of fixed coupon debt and is being amortised over the remaining term of that debt to 2043.

	2026 £'000	2025 £'000
Deferred income – MORhomes Bond at 1 April	2,471	2,662
Amortisation to Statement of Comprehensive Income	(192)	(191)
As at 31 March	2,279	2,471
Due within one year	192	192
Due after one year	2,087	2,279

The deferred income represents a premium received on the issue of fixed coupon debt and is being amortised over the remaining term of that debt to 2038.

19 – Creditors: Amounts Falling Due After More Than One Year (continued)

	2026 £'000	2025 £'000
Deferred income – AHGS Bond at 1 April	969	1,041
Loan Coupon	(265)	–
Amortisation to Statement of Comprehensive Income	(102)	(72)
As at 31 March	602	969
Due within one year	89	112
Due after one year	513	857

The deferred income represents a premium received on the issue of fixed coupon debt and is being amortised over the remaining term of that debt to 2036.

	2026 £'000	2025 £'000
Deferred income – Government grants at 1 April	59,980	60,797
Grants received	1,116	437
Transferred to RCGF on disposal	(300)	(343)
Released to income in the year	(916)	(976)
Amortisation on asset disposal	–	65
As at 31 March	59,880	59,980
Due within one year	1,006	1,006
Due after one year	58,874	58,974

The gross amount of grant received prior to amortisation as at 31 March 2026 was £78.5m (2025: £77.4m).

	2026 £'000	2025 £'000
Recycled Capital Grant Fund at 1 April	398	44
Inputs to RCGF	299	343
Recycling of grant	(56)	–
Transfer from contingent liability	92	–
Interest accrued	18	11
As at 31 March	751	398
Amounts three years or older where repayment may be required	–	–

19 – Creditors: Amounts Falling Due After More Than One Year (continued)

	2026 £'000	2025 £'000
Disposal Proceeds Fund (DPF) at 1 April	61	58
Interest accrued	1	3
At 31 March	62	61
Amounts three years or older where repayment may be required	62	61

The disposal of a fixed asset in a prior year activated a restrictive covenant that requires Eastlight to reinvest into an asset of similar nature.

	2026 £'000	2025 £'000
Borrowings are repayable as follows:		
Housing loans		
Between one and two years	3,901	27,471
Between two and five years	131,379	116,990
After five years	445,162	398,352
	580,442	542,813
On demand or within one year	19,271	2,466
	599,713	545,279

Loans drawn are either on a fixed (82%) or variable (18%) rate basis, with interest rates ranging from 1.899% to 11.169%, with an average weighted cost of capital of 4.01% (2025: 4.12%)

20 – Analysis of Changes in Net Debt

	At beginning of the year £'000	Cash Flows £'000	Non-Cash Movements £'000	At end of the year £'000
Cash and Cash Equivalents	(14,651)	8,469	–	(6,182)
Housing Loans Due in One Year	2,466	16,805	–	19,271
Housing Loans Due after One Year	542,813	37,629	–	580,442
	530,628	62,903	–	593,531

21– Retirement Benefit Schemes

Defined Contribution Schemes

Eastlight provides a defined contribution stakeholder type pension scheme for employees. Employees choose their own contribution and the Association double-matches up to a maximum employer contribution of 10%. The assets of the scheme are kept separately from those of the Association and are invested in independently managed funds as chosen by the employee. From May 2014, those employees not already in a pension scheme are automatically enrolled in this stakeholder scheme.

There is a minimum employee contribution of 3% although employees can choose to opt out. Eastlight has no long-term pension liabilities under the defined contribution scheme.

The total expense charged to Statement of Comprehensive Income in the period ended 31 March 2026 was £1,332k (2025: £1,436k).

Defined Benefit Schemes – LGPS

Eastlight was a member of the Local Government Pension Scheme, administered by Essex County Council, which is a multi-employer defined benefit scheme.

The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out as at 30 April 2024 when Eastlight exited the scheme.

	2026 %	2025 %
Key assumptions used:		
Discount rate	–	2.1%
Future pension increases	–	2.4%
Salary increases	–	–
RPI increases	–	–
CPI increases	–	2.4%

Mortality Assumptions

Investigations have been carried out within the past three years into the mortality experience of the Association's defined benefit schemes. These assumptions are based upon the Continuous Mortality Investigation's model CMI-2011, which shows a slight reduction in life expectation post-retirement. However, Eastlight's liability to the scheme was settled upon exit on 30 April 2024.

	VALUATION AT	
	2026 Years	2025 Years
Retiring today:		
Males	–	–
Females	–	–
Retiring in 20 years:		
Males	–	–
Females	–	–

Defined Benefit Costs Recognised in Statement of Comprehensive Income

Amounts recognised in the Statement of Comprehensive Income in respect of these defined benefit schemes are as follows:

	2026 £'000	2025 £'000
Service cost	–	28
Net interest (received)/cost	–	–
Plan introductions, changes, curtailments and settlements	–	1
	–	29
Recognised in other comprehensive income	–	321
Total cost relating to defined benefit scheme	–	350

Present Values of Defined Benefit Obligation, Fair Value of Assets & Defined Benefit Liability

The amount included in the Statement of Financial Position arising from the Group's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2026 £'000	2025 £'000
Present value of defined benefit obligations	–	–
Fair value of scheme assets	–	–
Surplus/(Deficit)	–	–
Net asset recognised in the Statement of Financial Position	–	–

Reconciliation of Opening & Closing Balances of the Defined Benefit Obligation

Movements in the present value of defined benefit obligations were as follows:

	2026 £'000	2025 £'000
At 1 April	–	48,979
Service cost	–	–
Interest cost	–	–
Actuarial gains and losses	–	–
Experience loss/(gain) on defined benefit obligation	–	–
Contributions from scheme participants	–	–
Benefits paid	–	–
Movement between 1 April and scheme exit	–	2,257
Liabilities extinguished on scheme exit	–	(51,236)
At 31 March	–	–

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

Movements in the fair value of scheme assets were as follows:

	2026 £'000	2025 £'000
At 1 April	–	51,448
Interest income	–	–
Return on plan assets (excluding amounts included in net interest cost)	–	–
Administration Expenses	–	–
Contributions from the employer	–	–
Contributions from scheme participants	–	–
Benefits paid	–	–
Movement between 1 April and scheme exit	–	(527)
Liabilities extinguished on scheme exit	–	(50,921)
At 31 March	–	–
Scheme Surplus/(Deficit)	–	–
Scheme Surplus not recognised	–	–
Recognised Scheme Balance	–	–

Scheme surplus not recognised due to uncertainty of recovery on cessation.

Analysis of Scheme Assets

Eastlight exited the scheme on 30 April 2024, therefore ceasing access to scheme assets from that date.

	FAIR VALUE OF ASSETS					
	2026			2025		
	£'000		%	£'000		%
Equity instruments	-		-	-		-
Debt instruments	-		-	-		-
Property	-		-	-		-
Cash	-		-	-		-
Alternative assets	-		-	-		-
Other managed funds	-		-	-		-
	-		-	-		-

Re-Measurement of the Net Assets / (defined liability) included in Other Comprehensive Income

	2026 £'000	2025 £'000
Return on fund assets in excess of interest	-	-
Other actuarial gains / (losses) on assets	-	-
Other actuarial gains and losses on defined benefit obligation	-	-
Change in demographic assumptions	-	-
Experience gain / (loss) on defined benefit obligation	-	-
Restriction on pension asset	-	-
Change in Assumptions on scheme exit	-	(321)
	-	(321)

Defined Benefit Schemes – SHPS

The company participated in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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

The last accounting valuation of the scheme was carried out with an effective date of 30 April 2024 when Eastlight exited the scheme and settled its outstanding liabilities. A provision of £250k has been made to reflect the potential change in liability resulting from an ongoing court case for TPT.

Defined Benefit Costs Recognised in Statement of Comprehensive Income

Amounts recognised in the Statement of Comprehensive Income in respect of these defined benefit schemes are as follows:

	2026 £'000	2025 £'000
Expenses	–	10
Net interest cost	–	–
	–	10

Present Values of Defined Benefit Obligation, Fair Value of Assets & Defined Benefit Liability

	2026 £'000	2025 £'000
Present value of defined benefit obligations	(250)	(250)
Fair value of scheme assets	–	–
Deficit	(250)	(250)
Net liability recognised in the Statement of Financial Position	(250)	(250)

Reconciliation of Opening & Closing Balances of the Defined Benefit Obligation

Movements in the present value of defined benefit obligations were as follows:

	2026 £'000	2025 £'000
At 1 April	250	6,828
Service cost	–	–
Interest cost	–	–
Experience loss/(gain) on defined benefit obligation	–	–
Change in demographic assumptions	–	–
Actuarial gains and losses	–	–
Benefits paid	–	–
Movement between 1 April and scheme exit	–	(96)
Liabilities extinguished on scheme exit	–	(6,732)
Provision for potential liability from ongoing court case	–	250
At 31 March	250	250

Re-Measurement of the Net Assets / (defined liability) included in Other Comprehensive Income

	2026 £'000	2025 £'000
Return on fund assets in excess of interest	–	–
Other actuarial gains/(losses) on assets	–	–
Experience gain/(loss) on defined benefit obligation	–	–
Change in demographic assumptions	–	–
Other actuarial gains and losses on defined benefit obligation	–	–
Change in assumptions on scheme exit	–	(336)
	–	(336)

Reconciliation of Opening & Closing Balances of the Fair Value of Plan Assets

Movements in the fair value of scheme assets were as follows:

	2026 £'000	2025 £'000
At 1 April	–	4,569
Interest income	–	–
Return on plan assets (excluding amounts included in net interest cost)	–	–
Contributions from the employer	–	–
Contributions from scheme participants	–	–
Benefits paid	–	–
Movement between 1 April and scheme exit	–	(159)
Assets extinguished on scheme exit	–	(4,410)
At 31 March	–	–

22 – Financial Instruments

	2026 £'000	2025 £'000
Financial Assets		
Measured at amortised cost – Rent arrears and other debtors	3,373	2,554
Measured at cost – Cash and cash equivalents measured at cost	6,182	14,651
	9,555	17,205

	2026 £'000	2025 £'000
Financial Liabilities		
Measured at fair value and designated in an effective hedging relationship – Derivative financial liabilities	(2,152)	(2,143)
Measured at fair value through the surplus for the year – Ineffective interest rate swaps	(5)	72
	(2,157)	(2,071)
Measured at amortised cost		
– Loans payable (Note 19)	355,581	317,910
– Bonds payable (Note 19)	224,860	224,903
Measured at undiscounted amount payable		
– Trade and other creditors (Note 18)	18,317	19,572
	596,601	560,314

The Association's income, expense, gains and losses in respect of financial instruments are summarised below:

	2026 £'000	2025 £'000
Interest income and expense		
Total interest income for financial assets at amortised cost	505	582
Total interest expense for financial liabilities at amortised cost	(22,047)	(19,104)
	21,542	18,522
Fair value gains and losses		
On derivative financial liabilities designated as an effective hedge	8	1,099
On financial liabilities measured at fair value through surplus for the year	77	250
	85	1,349

23 – Hedging Financial Instruments

Derivative Financial Liabilities Designated as an Effective Hedge

	Due within 1 year		Due after 1 year	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Interest rate swaps	6	(51)	(2,158)	(2,092)

Interest rate swaps are valued at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Cash flow hedges

The following table details the notional principal amounts and the remaining terms of interest rate swap contracts designated as cash flow hedges outstanding at the reporting date:

	Average contract fixed rate		Notional principal value		Fair value	
	2026 %	2025 %	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due within 1 year	4.67%	2.06%	1,500	5,000	6	(51)
Between 1 and 2 years	–	4.67%	–	1,500	0	13
Between 2 and 5 years	1.90%	1.90%	22,000	22,000	(1,211)	(1,512)
More than 5 years	3.85%	3.85%	51,500	51,500	(947)	(593)
			75,000	80,000	(2,152)	(2,143)

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is three month's SONIA. Eastlight settles the difference between the fixed and floating interest rate on a net basis.

All interest rate swaps reduce Eastlight's cash flow exposure resulting from variable interest rates on borrowings. The hedged cash flows are expected to occur and to affect surplus and deficit over the period to maturity of the interest rate swaps. £1.5m of the cash flow swaps mature in 2026, £22m in 2028, £1.5m matures in 2031, and £50m in 2032.

24 – Share Capital

	2026 £	2025 £
Issued and fully paid shares of 10p each:		
At beginning of year	435	455
Issued during the year	1	2
Cancelled during the year	(435)	(22)
At end of year	1	435

The par value of each ordinary share is £0.10. The shares carry full voting rights but do not confer any entitlement to dividends or to distributions on a winding up of the Company. The shares are not redeemable and are fully uncalled. At the reporting date, shares were issued to members of the Board.

25 – Financial Commitments

	2026 £'000	2025 £'000
Contracted for but not provided for	48,896	75,194
Approved by the directors but not contracted for	14,943	18,551
	63,839	93,745

The proposed funding for these commitments is as follows:

	2026 £'000	2025 £'000
Cash	6,182	14,651
Operating Cashflow (years 1–3)	57,657	79,094
	63,839	93,745

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2026 £'000	2025 £'000
Payments due:-		
– within 1 year	888	803
– between one and five years	1,536	1,109
– after five years	175	349
	2,599	2,261
	2026 £'000	2025 £'000
Payments due for:-		
– Premises	1,047	1,222
– Equipment	15	9
– Vehicles	1,537	1,030
	2,599	2,261

26 – Housing Stock

	2026 Units	2025 Units
Owned and managed:		
General needs housing accommodation	8,939	8,948
Housing accommodation at affordable rent	3,163	2,930
Housing accommodation at intermediate rent	94	94
Housing for Older People accommodation	646	649
Shared Ownership accommodation	1,261	1,193
Supported Housing	115	126
Market Rent managed by others	20	20
Leasehold properties (freehold owned)	610	601
Leasehold properties (managed for others)	16	16
Managed by others	32	35
	14,896	14,612
Other		
Freeholder	11	11
Commercial	2	2
	13	13
Total	14,909	14,625

27 – Related Party Transactions

The Board comprises eleven members. During the year, three tenants have been a member of the Board.

Catherine Turner	Tenant
Steve Bentall	Tenant
Magenta Lavey	Tenant

All tenancies and lease agreements are on normal commercial terms and tenant members are not able to use their position to their advantage.

The amount of rent and service charges charged to tenant Board Members during the year was £15,474 (2025: £10,230) and the amount of rent and service charges prepaid by members at the end of the year was £52 (2025: £57).

Emerald New Homes Limited is a wholly owned subsidiary of the Association. Emerald New Homes Limited is not registered with the Regulator of Social Housing. It has not traded during the year and there have been no transactions between it and the Association. Two Chief officers of the Association are directors of Emerald New Homes Limited.

Iceni Homes Limited was a development service company providing new-build programme management services to social housing providers and was formally wound up in December 2025. Iceni Homes Limited became a wholly owned subsidiary of Eastlight on 1 August 2021. Iceni Homes was not registered with the Regulator of Social Housing, and two Chief Officers of the Association were directors of Iceni Homes Limited.

Eastlight paid Iceni £nil (2025 £0.1m) in development costs and associated fees and Gift Aid received in the year to 31 March 2026 of £nil (2025: £672k).

28 – Events after the End of the Reporting Period

On 7 May 2026 a decision was made to dispose of the Bovingdon development scheme for approximately £2.5m. This will reduce the value of properties being developed WIP with no surplus or deficit expected from the disposal.

There have been no other material events after the reporting period that require disclosure or adjustment in the Financial Statements.

29 – Contingent Liability

During 2024–25, Eastlight completed the transfer of 703 homes from Clarion Housing Group, 29 homes from Estuary Housing Association and 128 homes from L&Q. The balance of grant as at 31 March 2026 was £15.3m (2025: £15.4m). Any future disposal of these properties will require the grant to be recycled. However, as the timing of any future disposal is uncertain, no provision has been recognised in these Financial Statements.

Eastlight Community Homes

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