Docusign Envelope ID: 5710BF9B-6482-8CD4-8117-442A6A26658C

Company registration number: 13088737 (England and Wales)
Charity registration number: 1193172

Thrive Social Housing

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2026

Docusign Envelope ID: 5710BF9B-6482-8CD4-8117-442A6A26658C

Thrive Social Housing

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Thrive Social Housing

Reference and Administrative Details

Trustees	Mr D Moran Ms S Giles Mrs S Birch
Charity Registration Number	1193172
Company Registration Number	13088737
Registered Office	Glen Valley House 634 Bacup Road Waterfoot Rossendale East Lancashire BB4 7AW
Auditor	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX
Solicitors	Napthens Solicitors 7 Winckley Square Preston PR1 3JD
Bankers	HSBC 1-3 Warwick Street Worthing BN11 3DE

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Thrive Social Housing

Trustees Report (including Directors' Report)

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 March 2026, which also consolidated the results of the Charity's wholly owned trading subsidiary, Emerging Futures CIC.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2022 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

- To prevent and relieve hardship and distress amongst persons who are in need, who are adversely impacted themselves or by association, by reason of substance misuse, addiction, homelessness, trauma or ill health by the provision to such persons of accommodation, care, treatment, access to educational, employment and training opportunities or other assistance.
- To advance education and raise awareness amongst the public by any appropriate means into the causes and impact of addiction, homelessness, trauma or ill health.

Our founding story

Emerging Futures began in 2014 by providing coaching from a humble portacabin outside Strangeways Prison, born from a belief that recovery is possible for everyone, and that those who have walked that path should lead the way forward.

Driven by a deep desire to make a difference, the team quickly realised that providing coaching alone wasn’t enough, and that many individuals had nowhere safe to live. So, Emerging Futures set out to start their own housing portfolio. To provide safety, quality, and longevity to people affected by homelessness and drug and alcohol use.

From those modest beginnings, Emerging Futures expanded across the UK, to a growing and diverse team of staff and volunteers, many with lived experience themselves, supporting thousands through housing and therapeutic programmes.

Using compassion and courage, Emerging Futures believes that recovery is not just a word, it is a promise that anything is possible.

Our mission and vision for the future

Emerging Futures helps people affected by homelessness and drug and alcohol. We do this by providing safety and recovery through housing, therapeutic programmes and peer led coaching.

We believe in a world where everyone has somewhere to live, something to do and someone to love.

Our values

Our core values guide everything we do, and are embedded deeply within our workforce:

- **Respect** - listening to people and treating them with dignity;
- **Integrity** - being honest and open (with each other) and providing a voice for those who are expert by experience
- **Accountability** - taking purpose-driven action, owning our decisions and remaining flexible as we grow.

Our values express our belief that everyone we work with is entitled to a fair and equal opportunity to thrive.

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Our housing

We offer professionally managed, high-quality supported housing for people affected by drug and alcohol use.

Our residents are provided with structured programmes which help people to build resilience and increase wellbeing, giving them the best chance at lasting change.

We understand that recovery is a personal, non-linear journey. It is different for everyone and focused on building a stable, connected and purposeful life. Our services operate across a structured recovery pathway designed to align housing related support intensity that corresponds with the stage of recovery and independence of individuals.

By structuring our houses around the stages of an individual's recovery, we encourage people to connect with others in a similar situation and begin building their recovery capital.

Our residents benefit from:

- **Housing keyworker support** - dedicated 1-2-1 check ins and time to set achievable goals that improve wellbeing.
- **Structured group work** that provides a safe space for individuals to share experiences and offer practical support to those who want to change
- **Signposting** to recovery behaviour change programmes, group activities and peer support in the community.
- **Support in developing skills** including budgeting, managing appointments and housing to sustain independent living.

Our housing projects provided safe, supported accommodation to 1,124 (2025: 1,169) residents across 604 (2025: 505) bedspaces in 110 (2025: 92) properties. These services were delivered across 9 (2025: 10) counties: Lancashire, West Yorkshire, North Yorkshire, Cheshire East, Merseyside, Gloucestershire, Hertfordshire, West Sussex, and the West Midlands. Collectively, our residents completed 122,657 (2025: 127,804) nights of accommodation, demonstrating the scale and consistency of our housing support.

By providing stable accommodation alongside structured recovery support, supported housing helps people build healthier, more independent lives. Research by the National Housing Federation estimates that supported housing saves the public purse £3.5 billion each year through reduced demand on health, social care and other public services (*National Housing Federation, The Cost Benefits of Supported Housing, 2024*).

Our community services

Our community services and behaviour change programmes provide people with a confidential space to share experiences and offer practical support to learn the skills needed for lasting change.

We recognise the importance of offering differing levels of support to people, depending on their personal circumstances. We work with people who haven't started their journey yet, through to individuals who are established in their recovery but still want to stay connected to people in a similar situation.

The Foundations of Recovery behaviour change programmes that we deliver for people affected by drug and/or alcohol addiction. We offer:

- **Preparation for Change:** Encouraging people to identify their strengths, motivations, resources. Preparation for Change reflects on the links between actions and values.
- **Foundations of Change:** Building on a motivation and commitment to change. Foundations of Change helps increase insight and self-understanding. Workshops highlight our wellbeing needs, and how we can meet them naturally.
- **Foundations of Growth:** Learning how negative thoughts influence behaviour. Foundations of Growth nurtures an understanding of better communication and helps people put their learning into practice to refine skills and build new healthy habits.
- **Live & Thrive:** Maintaining abstinence through focussed workshops. Live and Thrive raises tolerance to discomfort so that people can learn to respond to thoughts and emotions without the use of drugs or alcohol.
- **Foundations of Rehabilitation:** Supporting service users to identify offending behaviours and patterns in order to facilitate positive change and reintegration into the community.

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Our community support projects reached 3,921 (2025: 5,164) people across 15 (2025: 17) different initiatives, helping individuals on their journey toward stability and independence.

Collaboration remained central to our approach. Our teams made 6,072 (2025: 6,743) connections with external organisations on behalf of service users. These included GPs, healthcare professionals, local authorities, criminal justice agencies (including police, courts, and probation services), adult social care, and other housing support providers. These partnerships were vital in ensuring holistic and coordinated care.

Completing our structured behaviour change programmes supports people to make meaningful changes towards a healthier and more sustainable lifestyle. Evidence shows that recovery support and lived experience programmes can reduce the likelihood of relapse, strengthen social connections, rebuild family relationships and support successful reintegration into the community (*Office for Health Improvement and Disparities, Recovery Support Services and Lived Experience Initiatives, 2023*).

Our work with the criminal justice system

Our work within the criminal justice system is a vital part of our mission to create opportunities for people to transform their lives. Individuals leaving prison often face multiple and complex challenges, including support needs around drug and alcohol addiction, homelessness, and a lack of access to essential community support.

Our dedicated criminal justice teams play a key role in addressing these issues by ensuring that individuals have access to safe, supported accommodation and tailored community services upon release. In 2025/26, our criminal justice teams worked directly with 23 (2025: 22) prisons across 17 (2025: 13) counties in the UK. As a result, we supported 1,429 individuals with direct experience of the criminal justice system. This included in-reach support within prisons to help people prepare for release, as well as housing and community-based support following release. We also provided early intervention and immediate support through initiatives such as out-of-court disposals, helping people build the foundations for a more stable and hopeful future.

Safe accommodation and community support on release from prison can play a vital role in reducing reoffending and supporting successful reintegration into the community. Evidence shows that adults released into homelessness are more than twice as likely to reoffend within a year than those in supported accommodation, underlining the importance of housing and support in creating safer and more stable futures (*Nacro, Newly Released Government Data Reveals That Two-Thirds of People Who Are Released from Prison Homeless Reoffend Within a Year*).

Our family support offer

Whilst we can’t change the circumstances of those affected by a loved one’s addiction, our family services support people affected by a loved one’s addiction.

We do this through:

- **In person and online support groups** - a safe space for people to connect with others and share experiences in a confidential, non-judgemental environment.
- **Foundations of Family** - a 12-week programme exploring practical coping skills that help people build emotional resilience and communicate better with their loved one.
- **1:1 coaching** - a dedicated coach to support with making the choices and changes needed to improve wellbeing.

In 2025/26, Emerging Futures delivered 541 support sessions to family members affected by a loved one's addiction. Support was tailored to individual needs and included structured behaviour change programmes such as Foundations for Families, one-to-one support, family-focused coaching programmes, and peer support opportunities designed to reduce isolation and build wellbeing, including organised family walks, men's groups and other community support networks. Evidence shows that family-focused support helps reduce isolation, improve coping skills and enables families to play a positive role in supporting recovery and long-term positive outcomes (*HM Government, From Harm to Hope: A 10-Year Drugs Plan to Cut Crime and Save Lives, 2021*).

In 2025/26, 85% of people accessing our family support services in Manchester and Lancashire reported a reduction in the day-to-day negative impact their loved one's addiction was having on their lives. Before receiving support, family members rated the impact on their daily life at an average of 9 out of 10. Following support, this reduced to 5 out of 10, representing a 42% reduction in the negative impact experienced.

Reflecting on the support received, one family member described the service as "essential for the loved ones of those using drugs and alcohol." They said:

"I didn't have any expectations about the service, but I had reached such a low level that I felt like I was drowning and reached out for a hand to save me. Since then, the community support programmes have enabled me to think about myself, put boundaries in place and make some positive changes for me."

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Our coaching programme

Peer led coaching is at the heart of our approach and is delivered across our housing, community support, family and criminal justice services. The first step towards volunteering with Emerging Futures is completing our Coaching Essentials programme.

Coaching Essentials is an intensive five-day course that introduces the skills needed to coach, mentor and support people seeking long-term behavioural change. We actively encourage people with lived experience of addiction, recovery, homelessness or mental ill health to attend.

Emerging Futures has been a member of the CPD Standards Office since 2024. Coaching Essentials is CPD accredited and provides:

- A formal CPD-accredited certificate for 25 hours of learning.
- One year's free membership to the CPD Institute.
- A pathway into volunteering opportunities within Emerging Futures and beyond.
- A foundation for employment within the health and social care sector.

Coaching training helps address the shortage of skilled workers needed to support people facing stigma and multiple disadvantage. Through Coaching Essentials and volunteering, participants build confidence, gain practical experience and develop the skills needed for meaningful employment within Emerging Futures and across the wider sector.

For people with lived experience, coaching offers a powerful opportunity to turn personal challenges into strengths. By supporting others, coaches can build confidence, purpose and connection while making a positive difference in someone else's recovery journey. The NHS Five Ways to Wellbeing highlights giving to others, connecting with people and continued learning as key factors in improving wellbeing and resilience (*NHS, Five Ways to Wellbeing*).

AIMS AND OBJECTIVES

The Charity constitutes a public benefit entity. When reviewing our aims and objectives and in planning our activities, we have referred to the guidelines in the Charity Commission’s guidance on Public Benefit. The Trustees are satisfied that the Charity has charitable aims that are carried out for the public benefit, in that:

- The benefits to our beneficiaries are clear and in line with our aims.
- The beneficiaries are appropriate to the charity’s aims.
- There is no unreasonable restriction to accessing our services.
- There is no private benefit to the services we deliver.

Additionally the Trustees believe that we meet the specific purposes set out in the Charities Act 2022:

- Aim 6: The advancement of health or the saving of lives
- Aim 12: The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage

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ACHIEVEMENTS AND PERFORMANCE

In the past year, our organisation has continued to focus on remaining locally rooted within the communities we serve, whilst delivering quality housing and support services.

Establishing a non-commissioned service in Cheshire East

At the end of the financial year 24/25, the contract supporting our Cheshire East housing services came to an end. Following careful consideration, we took the decision not to rebid for the new commissioned model, recognising the need to ensure that any services we deliver remain financially sustainable and aligned with our expertise, workforce capacity and commitment to providing safe, high-quality support.

Having worked in Cheshire East for more than five years, we did not want to step away from a community where we have built strong local relationships and supported hundreds of people affected by homelessness and drug and alcohol use. Instead, we developed a new non-commissioned tenancy sustainment project, focused on supporting people who are engaged with treatment services and committed to their own recovery journey.

Although the new service operates on a smaller scale, with 70 bedspaces funded through housing benefit rather than commissioned funding, it supported 232 residents during 2025/26. This represents only a 36% reduction in the number of people supported compared with the previous commissioned service, despite the loss of 100% of contract funding. The project demonstrates our commitment to remaining locally rooted within the communities we serve, whilst ensuring the services we deliver are safe, sustainable and aligned with our skills and experience.

Lived Experience Charter Recognition

During the year, our services in Kirklees and Birmingham were recognised through the Lived Experience Charter, an award that supports employers to develop inclusive recruitment, retention and progression opportunities for people with lived experience. The Charter recognises organisations that demonstrate strong practice across policy, organisational culture and employment opportunities for people with lived experience.

We are proud that Kirklees achieved Gold status and Birmingham achieved Silver status, reflecting our commitment to creating pathways into volunteering, training and employment, and recognising the valuable contribution that people with lived experience make to our workforce and the people we support.

Progress in Equality, Diversity & Inclusion

In 2024, Emerging Futures CIC became legally required to report on its gender pay gap after exceeding 250 reportable employees. Our first report demonstrated a strong foundation, with a mean gender pay gap of 2.1%. We committed to building on this progress and, in 2025, reported a significant reduction, with the mean pay gap falling to just 3p, compared with 31p the previous year.

We were also pleased to report that our median gender pay gap reduced to 0%, representing an improvement from 1.6% in 2024.

Alongside our focus on pay equity, we continued to strengthen our commitment to equality, diversity and inclusion. During the year, all staff completed organisation-wide e-learning covering the topics of Introduction to EDI, Understanding Privilege and Microaggressions. Building on this foundation, we have begun rolling out in-person EDI training across the organisation in 2025/26, supporting deeper understanding and embedding inclusive practice across our services and teams.

Volunteers driving change

Our network of volunteers continues to play a vital role in the success of our community projects. The Trustees extend their sincere thanks to the 92 dedicated volunteers across 16 different service contracts who generously contributed their time and energy to support our services throughout 2025/26.

In line with the Charities SORP (FRS 102), the value of general volunteer time is not reflected in the financial statements. However, the impact of their contribution remains deeply appreciated and integral to our work.

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A year of strategic planning

During 2025/26, we undertook a comprehensive review of Emerging Futures' long-term direction, working closely with Trustees, senior leaders, staff and volunteers to develop a new three-year strategy. Following a period of consultation, reflection and challenge, the strategy was formally approved by the Board, providing a clear framework for the organisation's future development.

Our 2026-2029 strategy marks a deliberate shift from rapid growth towards strengthening the people, systems and governance needed to deliver sustainable impact. Built around three strategic priorities, it focuses on developing a resilient and capable workforce, delivering consistently safe and high-quality services, and becoming a more resilient organisation through stronger leadership, financial sustainability and organisational effectiveness.

Alongside the development of the strategy, we designed a national communications and engagement plan to support implementation from the first quarter of 2026/27. This plan ensures colleagues across the organisation understand their role in delivering the strategy, creating greater organisational alignment around shared objectives, key performance indicators and a common vision for the future.

Expanding our team in line with our strategy

As part of our commitment to building a resilient and capable workforce, we established a new People and Performance Directorate and welcomed Rachel Sweeting as Director of People and Performance. The directorate brings together HR, Learning and Development, Risk and Safeguarding, and Reflective Practice, strengthening the connection between our people, organisational culture and long-term strategic objectives.

To further strengthen quality and safety across our services, we introduced a new Head of Safeguarding role. This investment supports the continued development of a strong safeguarding culture, ensuring the people we work with receive safe, effective and high-quality support.

We also appointed a Learning and Development Coordinator to enhance our training offer and support the development of staff at all levels. By investing in learning and professional development, we aim to equip colleagues with the skills, knowledge and confidence needed to deliver consistently high-quality services.

Recognising the growing importance of digital resilience, we created a new IT Manager position to increase organisational capacity within our information function. This additional resource strengthens our ability to manage cyber security, data protection and emerging technology risks, including those associated with artificial intelligence.

Alongside these developments, we introduced a Practice Supervisor role to support reflective practice and continuous improvement across our workforce. This role encourages learning, professional growth and the sharing of best practice, helping colleagues develop a more holistic and person-centred approach to their work.

Financial review

Thrive Social Housing reports consolidated income of £13,010k for the year to 31 March 2026 (2025: £13,297k) which includes the consolidated results of its subsidiary, Emerging Futures CIC. This represents a small planned contraction of 2% due to the completion of some community and housing contracts with Emerging Futures CIC in 2025 and 2026.

There was a planned deficit result in the year of £128k, against a prior year surplus for the Group of £625k. This was a result of considered investment in additional skilled resources within the organisation to focus on a renewed staff training programme, investment in new systems and business processes alongside additional investment in the safety and quality of our programmes. The Trustees and senior leadership team have chosen to invest a small element of our reserves in this work over 2025-2027 to enable us to once again grow in line with our strategy.

The balance sheet remains strong at the year-end and reports consolidated Net Assets and Total funds as at March 2026 of £1,568k (2025: £1,696K), including cash balances of £2,086k (2025: £1,280k).

The main funding sources of the Group are disclosed in Note 3 to the financial statements.

The principle risks and uncertainties the Group face are covered in the strategic review that follows this report.

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Going concern

The Trustees have reviewed the financial performance of the group, together with those factors that will impact the future position of the Group. These include reviewing and improving the levels of housing benefit receivable annually, management of the impact of the cost of living crisis, in particular relating to gas and electricity costs and the optimisation of occupancy levels in our houses. The Group is expecting top line performance to be similar or marginally reduced for the next 18-24 months as efforts are focused on quality, stabilisation and efficiency before any further growth.

Overall the Group is expecting to invest excess reserves to support this effort in the next 18-24 months, in line with the reserves policy. This will allow for the implementation of the new strategy and for a strong base on which the group will begin to grow again and generate surpluses beyond 2027/8. The Trustees are therefore of the opinion that the Group is well placed for the future and has adequate resources to continue in operation for the foreseeable future. The going concern basis of accounting therefore continues to be adopted in preparing the financial statements.

Reserves policy

In accordance with guidance from the Charities Commission the Trustees have taken a risk based approach to assessing the level of reserves required for the Group.

This approach considers:

- Potential short term volatility in housing income due to occupancy levels
- Level of contribution loss potentially associated with unsecured contracts in year
- Potential redundancy costs for staff working on unsecured contracts
- Operating lease commitments in areas without associated support contracts
- Operating cash flow risk
- An overall assessment of the risk appetite of the Board

As a result of this approach the Trustees have agreed on the following approach to reserves for the year ended March 2026:

- If projected year end reserves are £700k or below the Trustees should be enacting emergency measures to secure financial security, which are likely to include structural changes.
- If projected year end reserves are £850k or below the Trustees will consider reserves to be amber and will be actively looking to stabilise income and costs and to gain certainty over the next financial year to understand if broader measures are required.
- Ideal reserves levels are £1,111k, so when reserves are between £850k and £1,150k levels the Trustees will not be looking to make significant changes and budgets will be focused on delivering unrestricted reserves to the £1,150k level.
- When reserves are over £1,150k Trustees will look to reinvest these reserve levels into the organisation.

As at 31 March 2026, reserves held are £1,568k (2025: £1,696k). All reserves are unrestricted. As reserves are over £1,150k, the Trustees will be looking to reinvest the reserves into the organisation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Thrive Social Housing (TSH) was incorporated as a Company Limited by Guarantee on 17 December 2020 (registered number 13088737) and subsequently registered as a charity (registered number 1193172) on 21 January 2021, thereafter subject to Charity, Trust and Company Law and governed by a Memorandum and Articles of Association. Its registered address is Glen Valley House, 634 Bacup Road, Waterfoot, Rossendale, Lancashire, BB4 7AW.

The Charity has one subsidiary company, Emerging Futures CIC (EF) (company number 08938725) incorporated on 13 March 2014. The company is limited by guarantee, with Thrive Social Housing being the sole corporate member since 25 March 2021.

Trustees

The Trustees, who are also the directors for the purposes of company law, and who served during the year and up to the date of signature of the financial statements were:

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Trustees:	Mr D Moran
	Ms S Giles
	Mrs S Birch (appointed 4 June 2026)
	Mr T Ebutt (resigned 23 November 2025)
	Mr M G Giraudon (resigned 5 March 2026)
	Mr J M Wemms (resigned 4 June 2026)

None of the Trustees has any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of winding up.

Recruitment and appointment of Trustees

Vacancies on the Board(s) will be identified by way of a skills audit and/or the resignation of an existing member of the Board. Potential candidates for such vacancies may either be nominated by a member of the Executive team or one of the Boards, or identified via an external recruitment process. A role description is issued as part of this process so that potential candidates fully understand their roles and responsibilities, including any participation in sub-committees.

Suitable candidates for the vacancies will meet with members of both the Executive Team & the Board, successful candidates will be invited to join the Board subject to the approval of the Board appointed at the next available meeting. Appointments are for three year terms, and individuals may serve a maximum of two consecutive terms.

Following appointment to the Board, a Trustee or NED will;

- Undergo briefing sessions with the Board and Executive team as required
- Be offered the opportunity to visit at least one of our projects to see our work in action and to meet the staff teams
- Be offered access to training and support around the role of a Trustee/NED as required

Organisation

The Charity did not have any employees or Executives in the period under review.

The Trustees have delegated much of the day to day running of the Group to the EF executive team, via a formal delegation of authority. This ensures that the Group can practically operate on a day to day basis and that the Trustees are able to focus on governance.

Executives of Emerging Futures CIC:

Executive	**Role**
Claire Bloor	Chief Executive Officer
Hayden Duncan	Operations Director
Rachel Notley	Finance Director
Rachel Sweeting	Director of People and Performance

Relationships with related parties

The Charity’s wholly owned subsidiary, Emerging Futures CIC, provides Executive and governance support for the Charity and also donates any profits to the Charity under a formal gift aid agreement.

Tom Ebbutt and David Moran are Trustees of both organisations. Tom Ebbutt resigned in the year, leaving only David as the conflicted Trustee. David is temporarily serving as Chair of TSH until a new Chair can be appointed. All other Trustees of the Charity and non-executive directors of Emerging Futures CIC are non-conflicted. Any conflicted trustee is excluded from any decisions relating to Emerging Futures CIC which may present a conflict of interest.

Trustee Indemnity Insurance

The Charity has third party indemnity insurance cover for its Trustees, as disclosed in note 8 to the financial statements.

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Achievements and performance in the year to 31 March 2026

The consolidated accounts for the Group show a small decrease in income of £0.3m to £13.0m. As noted in the Trustees report, margin was a small planned deficit in year.

The year has seen considered investment in additional skilled resources within the organisation to focus on a renewed staff training programme, investment in new systems and business processes alongside additional investment in the safety and quality of our programmes. The Trustees expect that the current year will not see top line growth and have planned to continue to invest extensively during the current year in stabilisation after 11 years of growth, to ensure our systems and processes are ready for the next 10 years and that quality and impact remains at the heart of everything we do.

Other achievements and performance are noted below and relate to both the Charity and Emerging Futures CIC:

From an operational perspective we have:

- Successfully renewed our Cyber Essentials certification, reinforcing our ongoing commitment to robust IT governance and data security standards.
- Introduced a new People and Performance Directorate, including the appointment of a Director to the Executive team to lead HR, Training and Programme Development, Risk and Safeguarding, and Reflective Practice. This strengthens the link between our people and organisational strategy, supporting consistent, high-quality practice and improved staff performance across services.
- Implemented a new HR system, to improve operational efficiency, ensure legal compliance and strengthen data quality across people and performance.
- Reviewed, strengthened and implemented standard operating procedures (SOPs) across the organisation to provide clear, consistent guidance for staff across a range of operational scenarios, supporting safe, effective and high-quality service delivery.
- Undertook a comprehensive review of our Safer Organisation Action Plan (SOAP) to strengthen organisational governance and ensure the highest standards of safety and outcomes for the people we support, with improvements implemented consistently across all services.
- Implemented a new national on-call service to provide consistent, 24-hour support for residents, ensuring timely responses to emergencies and uninterrupted handling of enquiries across all services.

From a contractual perspective we have:

- Implemented a new community support service in Liverpool, recruiting 13 staff and 5 volunteers, offering therapeutic programmes and peer led coaching following contract awards secured in the previous financial year.
- Implemented a new community support service in Worcester, bringing together two existing contracts to provide holistic support for people affected by drug and alcohol use.
- Implemented a new community support service in West Sussex, replicating our established community model from East Sussex to deliver consistent, high-quality support across the locality.
- Secured a new two-year pilot contract in partnership with We Are With You, delivering services across HMP Lincoln and HMP North Sea Camp to support the development of sustainable recovery networks before release and into the community.
- Launched a new tenancy sustainment project in Cheshire East, offering 70 bedspaces to people affected by homelessness and drug and alcohol support needs, ensuring continued local provision and stability within a community where we have an established presence.

Further information on financial performance and the assessment of going concern is contained within the Trustees Annual Report.

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Risk and uncertainty

The Board reviews the current risk register regularly and ensures all emerging or unforeseen risks are appropriately addressed. The key risks and associated mitigation and management are as follows:

Risk	Mitigation and management
Absence of an agreed organisational strategy may result in poor decision making in the short term	A new strategy was agreed in 2025, and this was rolled out from April 2026.
Serious reputational harm resulting from Serious Untoward Incidents (SUIs).	Appointment of a Safeguarding Lead to the Board to oversee communications, review policies, and strengthen organisational learning from near misses.
Financial viability due to increasing cost pressures	Prioritising the consolidation of systems and processes to enhance operational efficiency, alongside securing contracts with appropriate annual uplifts to accommodate ongoing cost increases.
Operational capability undermined by staff recruitment challenges	Continued focus on recruitment & induction for all roles, with structured training programmes now in place for all areas of the organisation. We continue to focus on being a good employer, achieving Gold IIP status in 2026.
Business continuity plans may be insufficient to address unforeseen events, potentially disrupting operations.	Regional Business Continuity Plans (BCPs) are in place, with a refreshed BCP for the entire organisation and central functions scheduled for completion in 2026.
Data breaches leading to ICO sanctions being imposed	Ongoing rollout of enhanced data protection training for all staff throughout 2026. In addition, IT policies are subject to annual review, with updates and reissuance to ensure continued compliance and relevance.
Cash holdings for the group reside in one financial institution, meaning the funds would not be guaranteed in the event of a collapse, and the funds are not necessarily generating the best return for the group	A new investment policy was introduced in 2025, providing for the diversification of cash holdings across financial institutions. The policy has also established a more sophisticated investment model aligned with the organisation’s updated strategic objectives.
Shortage of suitable accommodation	A rolling programme of maintenance is in place to uphold the quality and safety of existing properties. In parallel, a review of opportunities to acquire additional properties is underway. Leases are being secured in alignment with the terms and duration of associated funding contracts to ensure long-term sustainability.
Out of date or ineffectual policies leads to a serious breach of our legal responsibilities	All policies are now in a review cycle with, where relevant, additional training for staff to embed these within working practices. Compliance is monitored via regional governance groups and other ad hoc audits.

Disclosure of information to auditor

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Trustees of the Charity on 2/9/2026 and signed on its behalf by:

David Moran
.....
Mr D Moran
Trustee

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Thrive Social Housing

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Thrive Social Housing for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the Group and of the incoming resources and application of resources, including its income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the parent charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees of the Charity on 2/9/2026 and signed on its behalf by:

David Moran
.....
Mr D Moran
Trustee

Docusign Envelope ID: 5710BF9B-6482-8CD4-8117-442A6A26658C

Thrive Social Housing

Independent Auditor's Report to the Members of Thrive Social Housing

Opinion

We have audited the financial statements of Thrive Social Housing (the 'charitable parent company') and its subsidiaries (the 'Group') for the year ended 31 March 2026, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent Charity's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees 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 Group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees Report (including Directors' Report).

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity'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 Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

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

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

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

We considered the nature of the group’s industry and its control environment and reviewed the groups’s documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the group operates in and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, including the UK Companies Act and tax legislation, and, those that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group’s ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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Independent Auditor's Report to the Members of Thrive Social Housing (continued)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override of controls. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charitable parent company's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Group's Trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Lawrence

Scott Lawrence FCA (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court
Staverton
Cheltenham
GL51 0UX

Date: 2/9/2026

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Thrive Social Housing

Consolidated Statement of Financial Activities for the Year Ended 31 March 2026
(Including Consolidated Income and Expenditure Account)

	Note	Unrestricted funds 2026 £ 000	Restricted funds 2026 £ 000	Total 2026 £ 000	Unrestricted funds 2025 £ 000	Restricted funds 2025 £ 000	Total 2025 £ 000
Income and Endowments from:							
Donations and legacies	3	-	1	1	-	8	8
Charitable activities		12,934	21	12,955	13,251	2	13,253
Investment income	5	54	-	54	35	-	35
Total income		12,988	22	13,010	13,286	10	13,296
Expenditure on:							
Charitable activities		(13,108)	(22)	(13,130)	(12,653)	(10)	(12,663)
Other expenditure		(8)	-	(8)	(8)	-	(8)
Total expenditure		(13,116)	(22)	(13,138)	(12,661)	(10)	(12,671)
Net (expenditure)/income		(128)	-	(128)	625	-	625
Net movement in funds		(128)	-	(128)	625	-	625
Reconciliation of funds							
Total funds brought forward		1,696	-	1,696	1,071	-	1,071
Total funds carried forward		1,568	-	1,568	1,696	-	1,696

All of the Group's activities derive from continuing operations during the above two periods.

The consolidated statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

A separate Statement of Financial Activities is not presented for the charity itself as it has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The charity reports total income and endowments of £278,000 (2025 - £865,000) and net income of £30,000 (2025 - £622,000).

The consolidated statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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Thrive Social Housing

(Registration number: 13088737)
Consolidated Balance Sheet as at 31 March 2026

	Note	Group 2026 £ 000	Charity 2026 £ 000	Group 2025 £ 000	Charity 2025 £ 000
Fixed assets					
Tangible assets	11	2,754	2,754	2,830	2,830
Current assets					
Debtors	12	1,197	5	1,790	581
Cash at bank and in hand		2,086	1,387	1,280	707
		3,283	1,392	3,070	1,288
Creditors: Amounts falling due within one year	13	(1,784)	(104)	(1,527)	(55)
Net current assets		1,499	1,288	1,543	1,233
Total assets less current liabilities		4,253	4,042	4,373	4,063
Creditors: Amounts falling due after more than one year	14	(2,685)	(2,685)	(2,677)	(2,677)
Net assets		1,568	1,357	1,696	1,386
Funds of the Charity:					
Unrestricted income funds					
Unrestricted funds		1,568	1,357	1,696	1,386
Total funds		1,568	1,357	1,696	1,386

The financial statements on pages 16 to 28 were approved by the Trustees, and authorised for issue on 2/9/2026..... and signed on their behalf by:

David Moran
.....
Mr D Moran
Trustee

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Thrive Social Housing

Consolidated Statement of Cash Flows for the Year Ended 31 March 2026

	Note	2026 £ 000	2025 £ 000
Cash flows from operating activities			
Net cash (expenditure)/income		(128)	625
Adjustments to cash flows from non-cash items			
Depreciation		76	22
Investment income	5	(54)	(35)
Finance costs		8	8
		(98)	619
Working capital adjustments			
Decrease/(increase) in debtors	12	593	(385)
Increase in creditors	13	95	57
Increase/(decrease) in deferred income	14	163	(103)
Net cash flows from operating activities		753	189
Cash flows from investing activities			
Interest receivable and similar income	5	54	35
Purchase of tangible fixed assets	11	-	(156)
Net cash flows from investing activities		54	(121)
Net increase in cash and cash equivalents		807	68
Cash and cash equivalents at 1 April		1,280	1,212
Cash and cash equivalents at 31 March		2,086	1,280

All of the cash flows are derived from continuing operations during the above two periods.

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1 Charity status

The Charity is limited by guarantee, incorporated in the United Kingdom, and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

The address of its registered office is:
Glen Valley House 634 Bacup Road
Waterfoot
Rossendale
East Lancashire
BB4 7AW

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Thrive Social Housing meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation

The financial statements consolidate the results of the charity and its wholly-owned subsidiary, Emerging Futures C.I.C, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity itself have not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The trustees have approved the omission of the company's individual income and expenditure account in accordance with section 408 from the company's annual accounts

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have considered relevant information, including the impact of subsequent events, in making their assessment.

Based on these assessments and having regard to the resources available to the group, the Trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the financial statements.

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2 Accounting policies (continued)

Key sources of estimation uncertainty

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

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

Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Income and endowments

Incoming resources are recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Income which is invoiced in advance of the current accounting period is included in deferred income within creditors in the balance sheet.

Grants towards services are recognised using the performance model. These grants are recognised only when the performance related conditions are met. Grants received before the revenue recognition criteria are met are recognised as a liability.

Rents received are included within turnover and are recognised on a time apportionment basis over the term of the lease.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

Taxation

Thrive Social Housing is a charity in accordance with the Charities Act 2022 and is exempt from tax on income and gains falling within section 50 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. As a result no provision for taxation, deferred or otherwise, has been made in these financial statements in relation to the charity. The tax expense represents the sum of tax currently payable and deferred tax relating to the subsidiary company. The sum relates to current tax only and is payable based on taxable profit for the year.

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2 Accounting policies (continued)

Tangible fixed assets

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Leasehold improvements, computers and other equipment purchased for specific projects are treated as revenue expenditure at the date the cost is incurred. Other assets with a value greater than £2,000 are capitalised under the historic cost basis and depreciated to write off the cost of the assets over their estimated useful lives.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	Straight line over 50 years
Leasehold land and buildings	Straight line over 50 years
Land	Not depreciated

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances.

Trade debtors

Trade, other debtors and accrued income are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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2 Accounting policies (continued)

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3 Income from donations and legacies

Group	Unrestricted funds 2026 £000	Restricted funds 2026 £000	Total 2026 £000	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total 2025 £000
Donations and gifts	-	1	1	-	8	8

4 Income from charitable activities

Group	Unrestricted funds 2026 £000	Restricted funds 2026 £000	Total 2026 £000	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total 2025 £000
Contract income	5,514	-	5,514	5,404	-	5,404
Performance-related grants	1	21	22	8	2	10
Rent receivable	6,975	-	6,975	7,383	-	7,383
Other income	444	-	444	456	-	456
	12,934	21	12,955	13,251	2	13,253

5 Income from investments

Group	Unrestricted funds 2026 £000	Unrestricted funds 2025 £000
Interest receivable	54	35

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6 Expenditure on charitable activities

Group	Provision of Community Contracts 2026 £000	Provision of Transitional Housing 2026 £000	Total 2026 £000	Provision of Community Contracts 2025 £000	Provision of Transitional Housing 2025 £000	Total 2025 £000
Staff costs	2,503	3,684	6,187	2,347	3,917	6,264
Housing costs	-	3,954	3,954	-	3,917	3,917
Other costs	568	748	1,316	398	643	1,041
	3,071	8,386	11,457	2,745	8,477	11,222
Share of support and governance cost (see note 7)						
Support	284	1,389	1,673	245	1,196	1,441
	3,355	9,775	13,130	2,990	9,673	12,663
Analysis by fund						
Unrestricted funds	3,355	9,753	13,108	2,990	9,663	12,653
Restricted funds	-	22	22	-	10	10
	3,355	9,775	13,130	2,990	9,673	12,663

7 Support costs allocated to activities

	Basis of allocation	2026 £000	2025 £000
Staff costs	*Time spent*	973	849
Other costs	*Direct*	624	570
Depreciation	*Direct*	76	22
		1,673	1,441
Analysed between:			
Provision of Community Contracts		284	245
Provision of Transitional Housing		1,389	1,196
		1,673	1,441

Support costs are inclusive of auditors remuneration as follows:	Group 2026 £000	Group 2025 £000
Audit Services	23	20
Non-audit services	11	7

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8 Staff costs

Group

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Average number of employees	240	262
Average number of full time equivalents	202	223
Average number of full time equivalents split between:		
Direct project staff	170	189
Operational support staff	18	20
Central support staff	14	14
Total	202	223

The aggregate payroll costs were as follows:

	2026 £ 000	2025 £ 000
Staff costs during the year were:		
Wages and salaries	6,288	6,425
Social security costs	746	568
Pension costs	126	120
	7,160	7,113

The number of employees whose emoluments fell within the following bands was:

	2026 No	2025 No
£70,001 - £80,000	1	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-

The key management personnel of the Charity comprises the three Trustees and the four members of the Executive team of the wholly owned subsidiary Emerging Futures CIC. The key management personnel of the Group comprise those of the Charity and the key management personnel of its wholly owned subsidiary, Emerging Futures CIC. The key management personnel of Emerging Futures CIC comprise the Non-Executive Directors, the Chief Executive, the Director of People and Performance, the Operations Director and the Finance Director (the Executive Team). The total remuneration, inclusive of pension contributions and social security costs paid by the Group, of the key management personnel was £304,307 (2025 - £288,423).

Trustee remuneration:

Payments were made to Trustees for expenses incurred and for their services to the wholly owned subsidiary, this totalled £171 (2025 - £158) for reimbursement of expenses to 1 Trustee (2025 - 1 Trustee) and £Nil (2025 - £5,000) for service fees (2025 - to 1 Trustee).

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9 Other expenditure

	Unrestricted funds 2026 £000	Unrestricted funds 2025 £000
Fair value adjustments on financial instruments	8	8

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The activities of the charity's trading subsidiary, Emerging Futures C.I.C., are chargeable to corporation tax at the rate of 25% on profits arising and not distributed to the charity. The combined charge to corporation tax in the year was below £500 and has therefore been rounded to £nil (2025: £nil).

11 Tangible fixed assets

Group and Charity

	Freehold land and buildings £ 000	Leasehold properties £ 000	Total £ 000
Cost			
At 1 April 2025	2,385	497	2,882
At 31 March 2026	2,385	497	2,882
Depreciation			
At 1 April 2025	43	9	52
Charge for the year	59	17	76
At 31 March 2026	102	26	128
Net book value			
At 31 March 2026	2,283	471	2,754
At 31 March 2025	2,342	488	2,830

12 Debtors

	Group		Charity	
	2026 £ 000	2025 £ 000	2026 £ 000	2025 £ 000
Trade debtors	457	814	-	2
Amounts owed by subsidiary undertakings	-	-	-	579
Other debtors	740	976	5	-
	1,197	1,790	5	581

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13 Creditors: amounts falling due within one year

		Group		Charity	
		2026 £ 000	2025 £ 000	2026 £ 000	2025 £ 000
Other taxation and social security		138	122	-	-
Deferred income	15	977	814	-	-
Trade creditors		155	86	-	-
Other creditors		514	505	59	55
Due to subsidiary undertakings		-	-	45	-
		1,784	1,527	104	55

Contract income and grants are accounted for in accordance with the performance model, in the period in which the performance criteria are met. Income is deferred due to the timing of contract income and grants.

14 Creditors: amounts falling due after one year

	Group	Charity	
	2026 £ 000	2026 £ 000	2025 £ 000
Secured loans	2,685	2,685	2,677

The charity entered into an agreement with Social and Sustainable Capital (SASC) on 14 July 2021 to have access to a loan facility £2.645 million for the purchase of 10 houses in Cheshire, Lancashire and Hertfordshire. The loan will be repayable in July 2031 and there are no capital repayments during that period. At the balance sheet date £2,645,000 had been drawn down from this loan facility for the purchase of ten houses and is shown under Secured loans. The amounts drawndown are secured on the freehold of the houses, and by a charge on the Charity Rent bank account when held pending completion. The finance charge payable to SASC varies and is based on the rent received by Emerging Futures (the tenant) who leases the houses from the Charity.

HSBC Bank also holds a security in relation to the BACS facility for Emerging Futures CIC by way of a Debenture including Fixed Charge over all present freehold and leasehold property; First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and First Floating Charge over all assets and undertaking both present and future dated 3 August 2021.

15 Deferred income

	2026 £ 000	2025 £ 000
Deferred income at 1 April 2025	814	917
Resources deferred in the period	977	814
Amounts released from previous periods	(814)	(917)
Deferred income at year end	977	814

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16 Analysis of net assets between funds

Group

	Unrestricted funds General 2026 £ 000
Tangible fixed assets	2,754
Current assets	3,283
Current liabilities	(1,784)
Creditors over 1 year	(2,685)
Total net assets	1,568

	Unrestricted funds General 2025 £ 000
Tangible fixed assets	2,830
Current assets	3,070
Current liabilities	(1,527)
Creditors over 1 year	(2,677)
Total net assets	1,696

Charity

	Unrestricted funds General 2026 £ 000
Tangible fixed assets	2,754
Current assets	1,392
Current liabilities	(104)
Creditors over 1 year	(2,685)
Total net assets	1,357

	Unrestricted funds General 2025 £ 000
Tangible fixed assets	2,830
Current assets	1,288
Current liabilities	(55)
Creditors over 1 year	(2,677)
Total net assets	1,386

Docusign Envelope ID: 5710BF9B-6482-8CD4-8117-442A6A26658C

17 Operating lease commitments

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

	Group	
	2026 £ 000	2025 £ 000
Land and buildings		
Within one year	1,627	1,590
Between one and five years	524	387
	2,151	1,977

18 Related party transactions

Group
There were no related party transactions in the year (2025: £Nil).

19 Analysis of net debt

Group

	At 1 April 2025 £ 000	Cash flows £ 000	Other non cash changes £ 000	At 31 March 2026 £ 000
Cash at bank and in hand	1,280	806	-	2,086
Loans falling due after more than one year	(2,677)	-	(8)	(2,685)
Net debt	(1,397)	806	(8)	(599)

	At 1 April 2024 £ 000	Cash flows £ 000	Other non cash changes £ 000	At 31 March 2025 £ 000
Cash at bank and in hand	1,212	68	-	1,280
Loans falling due after more than one year	(2,669)	-	(8)	(2,677)
Net debt	(1,457)	68	(8)	(1,397)