



Annual Report and Accounts

FOR THE YEAR ENDED
31 MARCH 2023

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REPORT OF THE TRUSTEES AND STRATEGIC REPORT

TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the year ended 31 March 2023 which also consolidate 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 2011 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

The charity's objects from its governing document are:

- to prevent and relieve hardship and distress amongst persons who are in need by reason of homelessness, psychological or physical infirmity or addiction, or who, by reason of adverse circumstances, ill-health or by being a discharged offender, are in need of help in acquiring a settled way of life, by the provision to such persons of residential accommodation, move-on accommodation, care, treatment or other assistance.
- To advance education amongst the public by any appropriate means into the causes of such hardship and distress.

These formal objectives are achieved and underpinned by both our Passion and Competency Statement and our Values:

Passion and Competency Statement - We are passionate about providing people with safe homes where they can connect with others, find rewarding things to do and be motivated to pay it forward. By aligning our passion with knowledge we have the skills and competence to unlock people's potential to change their lives.

Our Values:

- **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; and
- **Accountability** – taking purpose-driven action, owning our decisions and remaining flexible as we grow.

We seek to tackle the inequalities and social injustice that reduce people's life chances. Our aim is to help reduce disadvantage and support people to live healthy, independent and productive lives, free from crime and addiction.

In practice, our key objective is to develop services that provide psycho-social support, employment pathways, housing and family interventions as legitimate and essential treatment goals.

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

TRUSTEES' REPORT

Our main activities that relate to the charity's objectives are concerned with sourcing and purchasing transitional housing that provides high-quality housing and therapeutic support nationally to improve the lives of people experiencing homelessness, problematic drug or alcohol use and associated mental health issues.

The charity exists to create opportunities for change. Safe and secure housing is a key characteristic of motivation and sustaining behaviour change alongside community connection, education, training and employment. These specialist support services are provided by the charity's subsidiary company, Emerging Futures CIC, who carry out all aspects of resident care, housing management, health and safety and regulatory compliance.

We provide accommodation to some of the most marginalised people in society. The positive outcomes we achieve clearly demonstrate that investment in behavioural change interventions is both inherently good for the individual and for society. Our high-quality homes offer a nurturing, supportive and safe environment for people with multiple and often complex needs. We foster a culture that supports the development of psychologically informed environments (PIE) across all our housing services to help understand the origins of our residents' behaviour and work creatively to find solutions.

This manifests itself through improvements in the health, wellbeing, and safety of our clients/residents and the communities in which they live, reductions in re-offending and the rehabilitation of residents by providing them with the life skills to become net contributors to their community. There are also the consequent reductions in cost to the health and social care economy and criminal justice system.

Furthermore, many of the people who now work for Emerging Futures have previous lived experience of issues such as homelessness, drug addiction and family breakdown. We combine their unique insights with professional training that gives them the expertise to bring about change in others. In turn, our service users are encouraged to progress to employment with us or the wider sector as part of their own successful recovery journey.

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.

STRATEGIC REPORT

REVIEW OF BUSINESS

Financial Review

Thrive Social Housing reports consolidated income of £9,123K for the year to 31 March 2023 (2021/22 - underlying income of £7,072K, excluding £487K gain (as restated) on the acquisition of Emerging Futures CIC net assets) which includes the consolidation of the results of its subsidiary company, Emerging Futures CIC. This represents underlying growth in income of 30% due to the expansion in Emerging Future's housing provision and new community contracts taken on in the year.

The balance sheet remains strong at the year-end and reports consolidated Net Assets and Total funds at March 2023 of £1,012K (March 2022 £420K, as restated), including cash balances of £1,716K (March 2022 £829K) (excluding funds drawn down from SASC of £395K (March 2022 £188K) pending house purchase completions after the year end). At the year-end we had completed on the purchase of 8 properties utilising the SASC loan facility with a book value of £2,126K, with the final two houses completing shortly after the year end.

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

Consolidated total resources expended include both direct and support costs and amounted to £8,526K (2021/22 - £7,138K, as restated). The consolidated operating surplus (Net incoming resources before other recognised gains/(losses)) is improved on the prior year and is reported at £592K (2021/22- underlying loss of £67K, excluding the £487K gain, as restated, on the acquisition of the Emerging Futures CIC net assets).

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 forecasting a 30% increase in income in 2023/24 with a similar level of surplus generation as 2022/23. 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.

STRATEGIC REPORT

REVIEW OF BUSINESS

Reserves policy

The group has £1,012K of unrestricted reserves which currently have no designations or other commitments affecting them. This level of reserves is also supported by cash balances which provide vital working capital funding for the day-to-day operating costs of the group and bridge the gap between cash inflows and outflows. They also cover unplanned emergency repairs and other expenditure.

The Trustees' review the level of reserves and reserves generation taking into account future projections, including detailed cashflow forecasts, the levels of new business and risk around the planning assumptions made.

The Trustees' review also considers the extent to which they would settle liabilities that might arise in the event of an orderly wind-down. This analysis, however, is dependent on assumptions that certain operational staff and other liabilities would be transferred to incoming providers in that event and is difficult to predict. In addition, other business continuity scenarios are being considered and modelled to assess the level of reserves that may be required in such an event.

At the same time, the Trustees are also keen to ensure that the reserves policy is not overstated which would constrict the group's ability to invest in its operations for the benefit of its residents and service users.

Based on the above factors and the ongoing scenario planning, the Trustees consider that currently, a policy of holding unrestricted reserves of £400K is appropriate as a contingency and is within the level of reserves at the year end. The Trustees expect the outcome of scenario planning to further refine this amount. The Trustees are therefore of the opinion that the current level of group reserves is appropriate and provides a buffer in the event of changing circumstances in the sector the group operates in.

Cash reserves

Having regard to the liquidity requirements of the group, the increasing cash balances and improving interest rates during the year, the Trustees moved to place surplus funds in a series of rolling term deposit of 1 – 3 months, alongside the existing instant access deposit account. This improved the interest earned in the year which amounted to £9,518 (2021/22 £41).

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE IN THE YEAR TO 31 MARCH 2023

The charity was incorporated on 17 December 2020 and took sole corporate membership of its subsidiary trading company, Emerging Futures CIC, on 25 March 2021, creating a charitable group. Emerging Futures CIC accounts for the year ended 31 March 2023 are consolidated within these accounts report income of £9 million, representing growth of 30% on its prior year. This was achieved through the expansion of its transitional housing provision and growth in its community contracts as a sub-contractor to Change Grow Live.

The charity had worked with Social and Sustainable Capital (SASC), a social investment fund, to secure a loan facility of £2.6 million in July 2021 which was to be used to purchase ten houses in various counties across England. These houses are leased by the charity to Emerging Futures CIC to operate its services from and improve the outcomes for its residents. The SASC loan facility was implemented by developing purchasing pipelines and appointing conveyancing and legal partners. By March 2023 we had purchased eight houses, three in Lancashire, three in Cheshire and one each in Gloucestershire and Hertfordshire. Five of these houses were brought into operation in the year, with three undergoing refurbishment and compliance works before being brought into service.

The purchase of the remaining two houses was completed after the year end.

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

From an operational perspective we have:

- developed an improved and robust IT and data management strategy that supports our Cyber Essentials Certification;
- mapped staff competencies to job descriptions to ensure we have the right skills on the ground to deliver our services;
- commenced a fundamental review of our safeguarding and risk policy and procedures;
- developed a communications strategy that both supports and protects our service delivery through the appointment of a Head of Communications;
- appointed a Head of Quality and Professional Development to support senior managers and implement our planned Recovery Academy;
- established relationships with leading officers within Local Authorities (Private Rented Sector Teams) to inspect our housing stock and compliance with local and national standards;
- developed processes that facilitate new available properties to replace existing older properties (Stock Replacement Programme) and a 'hand back' initiative to return properties to landlords that are substandard;
- produced a bi-annual report on the housing portfolio and compliance, together with a self-reporting system that provides information on housing management and Health and Safety information;
- created a new License Agreement as part of a consultation period with colleagues in the business and a specialist legal advisor in the Supported Housing sector to protect the rights of service users and ensures we are legally compliant in case of Court proceeding to obtain possession of a property.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE IN THE YEAR TO 31 MARCH 2023

From a contractual perspective we have:

- secured further investment from Local Authorities to support a female specific housing project across Central Lancashire and grown our housing portfolio across Hertfordshire, Worcestershire, Gloucestershire and Swindon;
- secured new contracts in Birmingham to deliver Recovery Housing and a Prison Leavers scheme;
- secured a housing floating support scheme in Manchester;
- implemented a new contract in Kirklees from October 2022 including detox and recovery housing;
- delivered a time limited pilot in partnership with Change Grow Live and the Ministry of Justice which delivered 5,000 bed nights and over 1,300 behaviour change sessions across Cheshire.
- Expanded our housing portfolio to 63 properties and 357 bed spaces by 31 March 2023 (March 2022 - 58 properties and 340 bed spaces).

STRATEGIC REPORT

RISK AND UNCERTAINTY

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

Risk	Mitigation and management
Failure to develop a succession plan undermines governance and executive leadership	Strategic succession planning reviews carried out by Board, Executive and the Senior Management Team
Serious reputational damage arises from Serious Untoward Incidents (SUI)	Safeguarding lead on the Board appointed to review communications, policy and organisational learning from near misses
Impact of cost of living and inflation on staff terms and conditions and service delivery costs	Review staff terms and conditions, wellbeing support and value for money and regular sector scoping
Unable to achieve occupancy levels (85%) in accordance with the SASC social investment loan facility covenant	Head of operations given supervised KPIs and sustaining priority referral pathways to ensure compliance
Operational capability undermined by staff recruitment challenges	Retain current staff, review terms and conditions, and review cost of living pay increases. Recruitment strategy reflects focus on core competencies, transferable skills and progression of volunteer coaches
Further COVID outbreaks and/or other pandemics	Mobilisation of existing COVID measures and contingency strategies
Business continuity plans fail to meet unforeseen events disrupting operations	Escalation Policy to Executive and Board, review of standing operating procedures via service line management
Data breaches leading to ICO sanctions being imposed and Subject Access Request (SAR)	ITS/Operations, line management/audit Training and competency/compliance targets imposed.

STRATEGIC REPORT

TRUSTEES' REPORT

OPERATIONAL OVERVIEW OF THE YEAR TO 31 MARCH 2023

The key achievements and overview are detailed in the Achievements and Performance section of the Strategic Report and report significant activity and further growth in the year which has enabled the charity to provide support to an increasing number of beneficiaries.

Although COVID is having a greatly reduced impact on service delivery, sustainable contingency plans are in place to ensure business continuity. Economies of scale will continue to play an important part in our ability to sustain support and care to residents by grouping local services as Regional Business Units.

The National Drug Strategy (harm to hope) is supported by an additional £780 million funding over the government's spending review period to 2024/25 and is particularly focused on joining up community treatment, rough sleeping, mental health and criminal justice initiatives.

It sets out the high-level ambitions from government to turn the trend of disinvestment around and set out how they intend to tackle substance misuse, homelessness and the social care agenda.

One of the main drivers of the strategy is to develop supported and transitional housing. The charity will continue to play an important part in delivering on key aspects outlined within the strategy that is supported the Department of Health and Social Care, Ministry of Justice, Department for Levelling Up, Housing and Communities, and Department for Work and Pensions.

Our engagement with SASC has facilitated the opportunity to purchase properties and develop a more diverse housing portfolio to support our service beneficiaries. We continue to work with reputable housing associations (RPs) and private landlords to this end.

Trading Subsidiary

The charity became the sole corporate member of Emerging Futures CIC on 25 March 2021 and acquired net assets of £487K (as restated). Since that date, the subsidiary has continued to trade for income outside the charitable status. Its results for the year ended 31 March 2023 are consolidated within the financial statements and are detailed in note 19.

STRATEGIC REPORT

TRUSTEES' REPORT

2023/24 OBJECTIVES

Our main objectives for 2023/24 are stated within our Three-Year Strategic Plan which was published in October 2021. These are detailed below together with an update on achievement and progress.

- **Transitional Housing:** Provide a balanced portfolio of complex needs, transitional and permanent accommodation units that offer people high-quality, compliant housing that is conducive to achieving change
 - Increase the number of bed spaces by 50% to 450 across our existing complex needs and transitional housing portfolio. Revised to 370 bed spaces;
 - Provide an additional 40 bed spaces by purchasing new properties via the existing funding agreement with SASC through Thrive Social Housing. Achieved 42 bed spaces;
 - Secure national partnership agreements with two Registered Social Landlords to enable us to work in new areas that may be subject to local authority restrictions on the development of HMOs. Achieved October 2022;
 - Provide an additional 50 bed spaces by securing an additional funding agreement with Thrive Social Housing. Strategic plan for January 2024;
 - Purchase 10 single occupancy properties that offer permanent tenancy options to service users. Strategic plan for April 2024;
 - Operate 650 bed spaces across complex needs, transitional and permanent tenancy housing provisions. Revised to 540 bed spaces;
- **Substance Misuse Programmes:** Reflect a local/regional approach to Integrated Care Systems (ICS) that integrate psychosocial support with employment pathways, housing and family interventions as legitimate and essential treatment goals; and Design and implement behavioural change programmes that enhance digital technology to further empower people to actively participate in their journey of change.
 - Increase the number of community substance misuse contracts in partnership with a clinical provider by 25% from 8 to 10. Achieved October 2022;
 - Retain 100% of community substance misuse contracts as they become due for recommissioning. Achieved in 2022/23;
 - Increase the number of integrated community substance misuse contracts offering an element of accommodation, wellbeing or employment support by 50% from 10 to 15 across a broader geographical footprint. Achieved in 2022/23;
 - Secure funding to pilot enhanced digital engagement and intervention services for families and concerned others outside of current commissioning frameworks. Strategic plan for April 2024;

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TRUSTEES' REPORT

2023/24 OBJECTIVES

- **Criminal Justice Services:** Work with people experiencing entrenched disadvantage who come into repeated contact with criminal justice services to help them break the cycle of offending.
 - Secure one additional Addiction, Diversion, Disruption, Enforcement and Recovery (ADDER) contract commissioned by Police & Crime Commissioners (PCC). Not yet achieved, in progress;
 - Secure one additional Rehabilitation through Resettlement contract with a national partner to provide through-the-gate support for those referred from prison into community-based treatment. Achieved in Cheshire East;
 - Secure a contract with HMPPS to deliver a community sentence treatment order (CSTO) related to drug and/or alcohol requirements. Not yet achieved, in progress;
 - Secure one contract with HMPPS or national partner to deliver integrated housing, wellbeing, family support, and employment services for adult female offenders. Achieved in Lancashire from April 2023;
- **Employment Pathways for Coaching:** Develop a training academy that facilitates the induction of new staff and accredits volunteer coaches to promote internal/external employment pathways, volunteer opportunities and academic studies.
 - Secure academy accreditation with Learning Awards Southeast Region (LASER), and appoint an internal quality assessor (IQA) to invigilate health and social care qualifications. IQA outsourced in 2022/23;
 - Provide 100 staff and volunteer coaches with nationally accredited training. Achieved 145 to date;
 - Secure one Individual Placement and Support (IPS) contract with a regional partner to deliver bespoke employment pathways for volunteer coaches. Change Grow live/Emerging Futures pilot underway February 2023;
 - 60 academy graduates to be on permitted earning contracts or in full time employment. Not yet achieved, in progress;
- **Data, Impact and Information Management:** Implement information resources that will ensure services exceed the expectations of service users and commissioners, improve case recording and impact reporting.
 - Achieve full implementation of a data management framework that incorporates all aspects of data governance, lifecycle management and foundational activity. Underway with new IT Support provider – expected completion April 2024
 - Achieve 'Cyber Essentials' certification. Achieved April 2022
 - Implement 'work from anywhere' infrastructures for all EF projects. Underway with new IT Support provider – expected completion April 2024

STRATEGIC REPORT

TRUSTEES' REPORT

2023/24 OBJECTIVES

- **Staff and Volunteer competencies:** Provide agile, accessible leadership that offers staff an inclusive, dignified and respectful working culture based on shared values.
 - Implement capability frameworks and mandatory training that will provide all new employees and 50% of existing staff with the essential and future skills requirements to deliver integrated housing, community substance misuse and mental health brief interventions. Achieved in 2022/23;
 - 100% of staff and volunteer coaches will have completed essential and future skills training. Achieved in 2022/23 and ongoing;
 - Secure charitable funding to enrol a second cohort of 20 staff on accredited leaders with lived experience (LWLE) training. Underway at local project level;
 - Achieve Investors In People (IIP) Gold standard award. Working towards - seeking Silver Award in 2023/24;

Our medium to longer term strategy is:

- to augment the facility with our social investors to provide the financial means to extend the housing portfolio into the purchase of 30 single occupancy move-on properties by March 2024.
- to provide a balanced portfolio of complex needs, transitional and permanent accommodation units that offer people high-quality, compliant housing that is conducive to achieving change.

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TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Thrive Social Housing 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 (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.

Appointment of Trustees

The Chair of the Board undertakes the appointment of new Trustees. The Chair will nominate an individual when a vacancy exists and, subject to the approval of the full board, they will be invited to join the Board. Following appointment to the Board a new Trustee will;

- undergo briefing sessions with the Board, the Chair and the senior management team of Emerging Futures CIC;
- undertake a number of visits to Emerging Futures CIC houses to understand the workings of the organisation and to meet staff members and residents;
- be invited to join the Board for a period of three years and then may be re-elected for one further period of three years. They are not normally eligible for a further re-appointment after standing down for at least one year.

Organisation

The charity did not have any employees or Executives in the period under review; all operational, Executive and governance matters for the charity are facilitated through the Executive of Emerging Futures CIC, whose details are included below under 'Officers and Management'.

STRATEGIC REPORT

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

David Royce was the Chair of both the charity and Emerging Futures CIC during the year until his retirement on 1 March 2023. David had been a Board member of Emerging Futures CIC since 2017 and has been instrumental in the growth and success of the company over that period. His support and guidance to the Chief Executive, the Executive and Board has been invaluable, and each take this opportunity to express their gratitude for his dedicated service, and to wish him well in his retirement.

David was replaced by Tom Ebbutt as the Chair of both organisations. All other Trustees of the charity and Directors of Emerging Futures CIC are non-conflicted. The Chair is excluded from any decisions relating to Emerging Futures CIC which may present a conflict of interest.

Officers and Management

The names of the Trustees who have served during the period and up to the date of approval of the financial statements, and the executives of Emerging Futures CIC, are set out below:

Trustee	Role
David Royce	Chair (retired 1 March 2023)
Tom Ebbutt	Chair (appointed 1 March 2023)
Marc Giraudon	Trustee
Janice Horsman	Trustee

Executives of Emerging Futures CIC:

Executive	Role
Ray Jenkins	Chief Executive
Hayden Duncan	Managing Director
Chris Hill	Finance Director
Nahim Yakub	Head of Housing

STRATEGIC REPORT

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and Administrative Information

Auditors and Tax advisors	Carpenter Box Amelia House Crescent Road Worthing BN11 1QR
Bankers	HSBC 1-3 Warwick Street Worthing BN11 3DE
Solicitors	Napthens Solicitors 7 Winckley Square Preston PR1 3JD
Pension Administrators	TPT Retirement Solutions Verity House 6 Canal Wharf Holbeck Leeds LS11 5BQ
Principle office of Charity and Registered Office	Glen Valley House, 634 Bacup Road, Waterfoot, Rossendale, Lancashire, BB4 7AW
Company number	13088737
Country of incorporation	England and Wales
Registered Charity number	1193172

STRATEGIC REPORT

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee Indemnity Insurance

The charity has third party indemnity insurance cover for its Trustees, as disclosed in note 5 to the financial statements.

Auditors

A resolution to reappoint Carpenter Box for the coming year will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report was approved by the Trustees.



Tom Ebbutt
Chairman

Date: 14 Sep 2023

TRUSTEES' REPORT

Statement of Trustees' responsibilities for the Financial Statements

The Trustees (who are also 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and the application of resources, including net income or expenditure of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting procedures and then 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 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 charitable company will continue in operation.

The Trustees are responsible for the keeping of proper accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the safeguarding of the assets of the 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 in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees confirm that they have complied with the duty in Section four of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVE SOCIAL HOUSING

Opinion

We have audited the financial statements of Thrive Social Housing (the 'charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities and income and expenditure account, the consolidated and charity balance sheets, the consolidated cashflow statement and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources 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's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 and charity'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 trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVE SOCIAL HOUSING

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVE SOCIAL HOUSING

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, 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 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.

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.

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

- Obtaining an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the group's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud and;
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the group and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the group for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: compliance with the UK Companies Act and UK Charities Act.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVE SOCIAL HOUSING

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

- making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the recognition and deferral of income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Use of our report

This report is made solely to the charity's members, 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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robin Evans BA FCA CTA DChA (Senior Statutory Auditor)

For and on behalf of Carpenter Box

Chartered Accountants

Statutory Auditor

Worthing

Carpenter Box is a trading name of Carpenter Box Limited

Date: 25 Sep 2023

THRIVE SOCIAL HOUSING

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Group Total Funds 2023 £	As restated Unrestricted Funds £	As restated Restricted Funds £	As restated Group Total Funds 2022 £
Income and endowments from:							
Donations and legacies	3	798	4,215	5,013	-	3,307	3,307
Investments	3	9,518	-	9,518	41	-	41
Charitable activities:							
Health and social care services	3	9,094,177	14,544	9,108,721	6,950,589	93,303	7,043,892
Other income	3	-	-	-	512,084	-	512,084
Total income	3	9,104,493	18,759	9,123,252	7,462,714	96,610	7,559,324
Expenditure on:							
Raising funds							
Charitable activities:	4						
Health and social care services		8,507,733	18,759	8,526,492	7,040,961	96,610	7,137,571
Total expenditure	4	8,507,733	18,759	8,526,492	7,040,961	96,610	7,137,571
Net income/(expenditure)	3	596,760	-	596,760	421,753	-	421,753
Tax payable		(4,471)	-	(4,471)	(2,131)	-	(2,131)
Transfers between funds	12/13	-	-	-	-	-	-
Net incoming resources before other recognised gains/(losses)		592,289	-	592,289	419,622	-	419,622
Other recognised gains/(losses)		-	-	-	-	-	-
Net movement in funds		592,289	-	592,289	419,622	-	419,622
Reconciliation of funds							
Total funds brought forward		419,622	-	419,622	-	-	-
Total funds carried forward		1,011,911	-	1,011,911	419,622	-	419,622

The Group has no recognised gains or losses for the year other than as detailed above.

The net movements in the Group's funds for the year arise from the Group's continuing operations.

The Accounting Policies on pages 27 to 30 and the Notes on pages 31 to 38 form part of these accounts.

THRIVE SOCIAL HOUSING

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 MARCH 2023

	Notes	Group 2023 £	Charity 2023 £	As restated Group 2022 £	Charity 2022 £
Fixed assets					
Intangible assets	7	-	-	3,944	-
Tangible assets	8	2,126,201	2,126,201	132,829	132,829
		2,126,201	2,126,201	136,773	132,829
Current assets					
Debtors	9	770,102	613,864	806,285	51,329
Cash at bank and in hand		2,111,154	556,423	1,017,722	289,282
		2,881,256	1,170,287	1,824,007	340,611
Creditors: amounts falling due within one year	10	(1,483,546)	(33,543)	(1,230,158)	(8,255)
Net current assets		1,397,710	1,136,744	593,849	332,356
Creditors: amounts falling due after more than one year	11	(2,512,000)	(2,512,000)	(311,000)	(311,000)
Net assets		1,011,911	750,945	419,622	154,185
Funds					
Unrestricted	12	1,011,911	750,945	419,622	154,185
Restricted	13	-	-	-	-
		1,011,911	750,945	419,622	154,185

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 £714,765 and Net income of £596,760.

Approved by the Board of Directors and Trustees on 14 Sep 2023 and signed on its behalf by:

Tom Ebbutt

Marc Giraudon

Mr T Ebbutt
Chair

Mr M Giraudon
Trustee

The Accounting Policies on pages 27 to 30 and the Notes on pages 31 to 38 form part of these accounts.
Company Registration Number: 13088737 (England and Wales)

THRIVE SOCIAL HOUSING

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Group 2023 £	Charity 2023 £	As restated Group 2022 £	Charity 2022 £
Cash flows from operating activities :					
Net cash provided by operating activities	<i>below</i>	886,889	70,116	10,933	111,112
Cash flows from investing activities:					
Dividends, interest and rents from investments		9,518	-	41	-
Cash on acquisition of subsidiary	19	-	-	828,577	-
Purchase of intangible fixed assets	7	-	-	-	-
Purchase of tangible fixed assets	8	(2,003,975)	(2,003,975)	(132,829)	(132,829)
Net cash used by investing activities		(1,994,457)	(2,003,975)	695,789	(132,829)
Cash flows from financing activities :					
New loans in year		2,201,000	2,201,000	311,000	311,000
Repayments of borrowing					
Net cash used by financing activities		2,201,000	2,201,000	311,000	311,000
Change in cash and cash equivalents in the period		1,093,432	267,141	1,017,722	289,282
Cash and cash equivalents at the beginning of the period		1,017,722	289,282	-	-
Cash and cash equivalents at the end of the year		2,111,154	556,423	1,017,722	289,282

THRIVE SOCIAL HOUSING

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

			As restated		
	Group	Charity	Group	Charity	
	2023	2023	2022	2022	
	£	£	£	£	
Reconciliation of net cash flow to movement in net debt					
Increase/(decrease) in cash in the year	1,093,432	267,141	1,017,722	289,282	
(Increase)/Decrease in net debt	-	-	-	-	
Cash and cash equivalents at the beginning of the period	1,017,722	289,282	-	-	
Cash and cash equivalents at the end of the period	2,111,154	556,423	1,017,722	289,282	
	Group	Charity	Group	Charity	
	2023	2023	2022	2022	
	£	£	£	£	
Reconciliation of net income to net cash inflow from operating activities:					
Net income for the year	592,289	596,760	419,622	154,185	
Acquisition of subsidiary	-	-	(487,084)	-	
Dividends, interest and rents from investments	(9,518)	-	(41)	-	
Amortisation charges	3,944	10,603	6,408	-	
Depreciation charges	10,603	-	-	-	
Profit/(loss) on fixed asset disposal	-	-	-	-	
Increase in debtors	36,183	(562,535)	(222,160)	(51,329)	
Increase in creditors	253,388	25,288	294,188	8,255	
Net cash provided by operating activities	886,889	70,116	10,933	111,111	
	Group		Charity		
	At 1st		At 1st		At 31st
	April	Cash	April	Cash	March
	2022	Flow	2022	Flow	2023
	£	£	£	£	£
Cash at bank and in hand	1,017,722	1,093,432	289,282	267,141	556,423
Bank and other loans	(311,000)	(2,201,000)	(311,000)	(2,201,000)	(2,512,000)
Total	706,722	(1,107,568)	(21,718)	(1,933,859)	(1,955,577)

The Accounting Policies on pages 27 to 30 and the Notes on pages 31 to 38 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

General information

Thrive Social housing is a private company limited by guarantee incorporated in England and Wales. The registered office is Glen Valley House, 634 Bacup Road, Waterfoot, Rossendale, Lancashire, BB4 7AW. The company registration number is 13088737 (England and Wales).

1.1 Basis of preparation

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

The comparative period of this report and accounts uses a period which is longer than 12 months as it covers the period since the charity's incorporation on 17 December 2020 to 31 March 2022 and consolidates the results of its wholly owned trading subsidiary, Emerging Futures CIC, which it acquired on 25 March 2021.

1.2 Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary Emerging Futures CIC 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 directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

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

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors 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 directors 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

1.4 Incoming resources

Incoming resources is 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 appointment basis over the term of the lease.

1.5 Expenditure

Direct costs represent all costs which relate directly to charitable activities and governance costs. Support costs are those incurred to support charitable activities and governance. Expenditure has been classified in accordance with the Charities SORP (FRS 102).

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT Software costs	Straight line basis over 3 years
-------------------	----------------------------------

1.7 Tangible fixed assets

(a) Freehold property

In accordance with FRS 102 freehold land is not being depreciated. Depreciation is charged on freehold buildings over a period of 50 years on a straight line basis. The trustees consider the market value of the properties on an annual basis, together with reviewing them for impairment in accordance with FRS 102. Freehold land and buildings are initially recognised at cost but are subject to periodic revaluation by the trustees.

(b) Capitalisation of other assets

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 estimated useful lives

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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).

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand.

1.10 Financial instruments

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

(a) Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

(b) Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.11 Taxation

Thrive Social Housing is a charity in accordance with the Charities Act 2011 and is exempt from tax on income and gains falling within section 505 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 the 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.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

1.13 Funds

(a) Restricted funds

Restricted funds are those whose application is limited to those causes specified by the donor. Any deficit incurred on any individual restricted fund is written off to the 'Unrestricted fund' in the financial year in which the deficit occurs.

(b) Unrestricted funds

For control and audit purposes funds received for each project are accounted for individually with the relevant incoming resources and expenditure allocated accordingly. Expenditure for projects includes both direct costs attributable to the project and appropriate recharges for support costs.

1.14 Retirement benefits

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

1.15 Leasing commitments

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

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

			Group	As restated		As restated
3 Analysis of income from generated funds	Unrestricted	Restricted	Total	Unrestricted	Restricted	Group
	Funds	Funds	2023	Funds	Funds	Total
	£	£	£	£	£	£
<i>Donations and legacies</i>						
Donations	798	4,215	5,013	-	3,307	3,307
Investment income						
Interest on UK cash deposits	9,518	-	9,518	41	-	41
Incoming resources from charitable activities						
Contract income	3,737,282	-	3,737,282	3,008,724	-	3,008,724
Grants and donations	4,755	14,544	19,299	-	93,303	93,303
Other income	337,598	-	337,598	238,578	-	238,578
Rent receivable	5,014,542	-	5,014,542	3,703,287	-	3,703,287
	9,094,177	14,544	9,108,721	6,950,589	93,303	7,043,892
Other income						
Other income	-	-	-	512,084	-	512,084
Total Income	9,104,493	18,759	9,123,252	7,462,714	96,610	7,559,324

Other income in 2021/22 of £512,084 includes £487,084 being the gain on the acquisition of the net assets of Emerging Futures CIC (see note 19 Subsidiary company).

	Group	Group
Net income	2023	2022
	£	£
Net incoming resources is stated after charging:		
Auditor's remuneration:		
Audit services	22,705	17,116
Non-audit services	306	2,489
Operating lease rentals:		
Plant and machinery	32,461	32,461
Land and buildings	1,563,348	1,248,267
Depreciation and amortisation	14,547	6,408

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	As restated Unrestricted Funds £	Restricted Funds £	As restated Total 2022 £
4 Analysis of resources expended						
Cost of charitable activities						
Payroll costs	4,785,568	4,658	4,790,226	4,097,723	38,283	4,136,006
Non-payroll costs	3,722,165	14,101	3,736,266	2,943,238	58,326	3,001,564
Total cost of charitable activities	8,507,733	18,759	8,526,492	7,040,961	96,609	7,137,570
Total Expenditure	8,507,733	18,759	8,526,492	7,040,961	96,609	7,137,570

	Staff costs £	Housing costs £	Other £	Group Total 2023 £	Staff costs £	Housing costs £	Other £	As restated Group Total 2022 £
Analysis of resources expended								
Provision of Community Contracts	1,725,450	-	418,549	2,143,999	1,441,193	-	252,406	1,693,599
Provision of Transitional Housing	2,450,059	2,546,447	414,179	5,410,685	2,202,764	2,088,939	396,262	4,687,965
Support costs	610,059	-	361,749	971,808	453,766	-	302,240	756,006
	4,785,568	2,546,447	1,194,477	8,526,492	4,097,723	2,088,939	950,908	7,137,570

5 Staff costs, Trustee remuneration and expenses, and the cost of key management personnel

	Group Total 2023 £	Group Total 2022 £
Wages and salary costs	4,258,335	3,637,124
Social security costs	368,691	301,640
Training costs	44,493	61,423
Recruitment and general payroll costs	34,624	26,336
Pension costs for defined contribution pension scheme	79,425	71,200
Total	4,785,568	4,097,723

The number of higher paid employees who received total remuneration in the following bands were as follows:

	Group 2023 Number	Group 2022 Number
£60,000 to £69,999	-	1
£70,000 to £79,999	1	1
£80,000 to £89,999	1	-

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

No payments were made to the Trustees of the Charity for remuneration of their services. One Trustee received £28 (2021/22 £14) for reimbursement of general expenses.

The key management personnel of the Charity comprise the three Trustees. 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 three Non-Executive Directors, the Chief Executive, the Managing Director, the Finance Director and the Head of Housing. The total remuneration, inclusive of pension contributions and social security costs paid by the Group, of the key management personnel was £318,092 (2021/22 - £311,558).

During the period, the Charity took out an insurance policy to indemnify the Charity trustees or other officers against all risks except for dishonesty, fraud or deliberate breach of trust. The insurance cost £832 (2021/22 - £885) in the year to 31 March 2023.

The higher paid employees were accruing pension benefits under a defined contribution scheme. During the year pension contributions of £3,962 (2021/22 - £2,957) were paid into the pension scheme on behalf of these employees.

	Group 2023 Number	Group 2022 Number
Employee numbers:		
Average number of employees	195	167
Average number of full time equivalents	171	159
Average number of full time equivalents split between:		
Direct project staff	148	142
Operational support staff	11	9
Central support staff	12	8
Total	171	159

6 Corporation tax

The charity is exempt from tax on income and gains falling within section 505 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.

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2023 £
Net income for the year	596,760	421,753
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2022: 19%)	113,384	80,133
Income not taxable	(108,913)	(78,002)
Taxation charge for the period	4,471	2,131

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Intangible fixed assets	IT Software costs
Group	£
Cost	
At 1 April 2022	19,224
At 31 March 2023	19,224
Amortisation and impairment	
At 1 April 2022	15,280
Amortisation charged for the year	3,944
At 31 March 2023	19,224
Carrying amount	
At 31 March 2023	-
At 31 March 2022	3,944

The Charity has no intangible fixed assets.

The amortisation charged for the year is included within Expenditure on Charitable activities - Health and social care services, within the SoFA.

8 Tangible fixed assets	Freehold property	Long Leasehold property	Total
Group and Charity	£	£	£
Cost			
At 1 April 2022	-	132,829	132,829
Additions	1,639,735	364,240	2,003,975
At 31 March 2023	1,639,735	497,069	2,136,804
Depreciation			
At 1 April 2022	-	-	-
Depreciation charged for the year	5,868	4,735	10,603
At 31 March 2023	5,868	4,735	10,603
Carrying amount			
At 31 March 2023	1,633,867	492,334	2,126,201
At 31 March 2022	-	132,829	132,829

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
9 Debtors				
Amounts falling due within one year				
Trade debtors	400,281	3,430	421,717	-
Other debtors	369,821	-	384,568	3,570
Amounts owed by Subsidiary company	-	610,434	-	47,759
	770,102	613,864	806,285	51,329
			As restated	
	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
10 Creditors: amounts falling due within one year				
Trade creditors	282,487	-	105,633	1,878
Deferred income	708,106	-	662,953	-
Taxation and social security	90,286	-	77,229	-
Other creditors	402,667	33,543	384,343	6,377
Amounts owed to Subsidiary company	-	-	-	-
	1,483,546	33,543	1,230,158	8,255
Movements in deferred income	£	£	£	£
At 1 April 2022	662,953	-	478,286	-
Released in the year	(662,953)	-	(478,286)	-
Deferred	708,106	-	662,953	-
At 31 March 2023	708,106	-	662,953	-

Contract income and grants are accounted for on an accruals basis in the period in which the performance criteria are met. Income is deferred due to the timing of receipts for contract income and grants.

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
11 Creditors: amounts falling due after more than one year				
Secured loans	2,512,000	2,512,000	311,000	311,000
	2,512,000	2,512,000	311,000	311,000

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. Under the terms of the agreement the loan facility is available to drawdown until 14 April 2023. The loan will be repayable in July 2031 and there are no capital repayments during that period. At the balance sheet date £2,512,000 had been drawn down from this loan facility for the purchase of nine houses and is shown under Secured loans. The amounts drawdown 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 hold security in relation to the £60K credit card facility of 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.

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
12 Unrestricted funds				
At 1 April 2022	419,622	154,185	-	-
Retained surplus/(deficit) for the year	592,289	596,760	419,622	154,185
Transfers from /(to) restricted funds	-	-	-	-
At 31 March 2023	1,011,911	750,945	419,622	154,185

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
13 Restricted funds				
At 1 April 2022	-	-	-	-
Incoming resources	18,759	-	96,610	-
Resources expended	(18,759)	-	(96,610)	-
Transfers from/(to) Restricted funds	-	-	-	-
At 31 March 2023	-	-	-	-

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Analysis of net assets between funds		Intangible and tangible fixed assets		Creditors: amounts falling due after more than one year	Total 2023	Intangible and tangible fixed assets		Creditors: amounts falling due after more than one year	As restated Total 2022
Group		£	Net current assets	£	£	£	Net current assets	£	£
Unrestricted funds		2,126,201	1,397,709	(2,512,000)	1,011,910	136,773	593,848	(311,000)	419,621
Restricted funds		-	-	-	-	-	-	-	-
Total		2,126,201	1,397,709	(2,512,000)	1,011,910	136,773	593,848	(311,000)	419,621

Analysis of net assets between funds		Intangible and tangible fixed assets		amounts falling due after more than one year	Total 2023	Intangible and tangible fixed assets		amounts falling due after more than one year	Total 2022
Charity		£	Net current assets	£	£	£	Net current assets	£	£
Unrestricted funds		2,126,201	1,136,744	(2,512,000)	750,945	132,829	332,356	(311,000)	154,185
Restricted funds		-	-	-	-	-	-	-	-
Total		2,126,201	1,136,744	(2,512,000)	750,945	132,829	332,356	(311,000)	154,185

15 Capital commitments

There are no group capital commitments at the balance sheet date.

16 Post balance sheet events

Since the year end the charity has completed on the purchase of its final ninth and tenth houses under the facility with SASCas follows:

21 April 2023 - Welwyn Garden City for £375,000

16 June 2023 - Accrington for £112,000

At 16 June 2023, the total loan had been drawn down from SASC amounting to £2,620K.

17 Related party transactions

During the year, the Emerging Futures CIC paid £11,386 (2021/22 - £15,501) to entities where a director, Mr R Jenkins, had related parties. There was £Nil outstanding at 31 March 2023 (£735 at 31 March 2022).

Also during the year, Emerging Futures CIC paid £15,181 (2021/22 - £9,617) to an entity where a director, Mr D Royce, had a related party. Mr Royce resigned as a director on 1 March 2023. There was £Nil outstanding at 31 March 2023 (£Nil at 31 March 2022).

At the year end £610,434 (2022 £47,759) was due from Emerging Futures CIC.

18 Commitments due under operating leases

	Land and buildings	Other	Land and buildings	Other
Group	Group	Group	Group	Group
2023	2023	2022	2022	2022
£	£	£	£	£
Gross obligations repayable on leases:				
expiring within one year	1,105,841	23,281	1,007,346	33,991
expiring between two and five years	357,150	1,940	629,797	25,221
expiring in more than five years	-	-	106,643	-
Total	1,462,991	25,221	1,743,786	59,212

THRIVE SOCIAL HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19 Subsidiary company

The Charity is the sole corporate member of Emerging Futures CIC, registered number 893825, a company registered in England and Wales whose registered office is the same as that of the Charity. The Charity became the sole corporate member on 25 March 2021 for £Nil consideration paid.

The net assets acquired at the date of acquisition were:	Restated
	£
Intangible fixed assets	10,352
Debtors	584,125
Cash at bank	828,577
Creditors	(935,970)
Net assets acquired at acquisition	487,084

The Net assets acquired at acquisition are included within 'Other income' in the Consolidated Statement of Financial Activities and Income and Expenditure Account in 2021/22.

The trading activities of the subsidiary, Emerging Futures CIC, for the year ended 31 March 2023 were as follows:

	01.04.2022	Restated 25.03.2021 to 31.03.2022
	31.03.2023	31.03.2022
Profit and Loss Account	£	£
Turnover	9,172,244	7,046,943
Cost of sales	(7,541,750)	(6,308,101)
Gross profit	1,630,494	738,842
Administrative expenses	(971,808)	(768,560)
Other operating income	-	-
Operating profit	658,686	(29,718)
Investment income	9,518	41
Profit before taxation	668,204	(29,677)
Tax on profit	(4,471)	(2,131)
Retained earnings in period	663,733	(31,808)
	31.03.2023	31.03.2022
Balance Sheet	£	£
Intangible fixed assets	-	3,944
Net current assets	260,965	261,492
Net assets	260,965	265,436
Reserves	260,965	265,436

20 Prior period adjustment

In the prior period audited accounts of Emerging Futures CIC, computer running costs had not been accounted for on an accruals basis. A prior period adjustment has been made in the group accounts to increase costs by £83,987, reduce the group profit on acquisition of Emerging Futures by £96,756 and to increase other creditors by £180,743 at 31 March 2022.

THRIVE

SOCIAL HOUSING

Registered office: Glen Valley House, 634 Bacup Road,
Waterfoot, Rossendale, Lancashire, BB4 7AW

Company Registration No. 13088737 (England and Wales)

Registered Charity Number No. 1193172 (England and Wales)