



# Financial Statements

For the year ended 31 March 2024

Outward Housing  
Company no. 02151434  
Registered charity no. 800529



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## The Board and Professional Advisors

**Company number:** 02151434

**Charity number:** 800529

**Registered office and operational address:**

Newlon House  
4 Daneland Walk  
Hale Village  
London  
N17 9FE

**Trustees**

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jane Howlett CBE  
*Chair*

Alan McNab  
*Vice-chair, resigned 1<sup>st</sup> October 2023*

Eilish Kavanagh  
*Treasurer*

Alison Muir  
*Newlon Housing Trust Nominee*

Zahra Maye

Rama Varsani

Daniel Menghestab Haile  
*appointed 12<sup>th</sup> July 2023*

Matthew John Gregory Tandy  
*appointed 27<sup>th</sup> September 2023*

Ashley Jay Staines

**Key management personnel / Executive Team**

Nicky Boland, Chief Executive and Secretary

Katerina Gutheim  
*Director of Care and Support*

Emma Richardson  
*Assistant Director of Housing and Facilities*

Lindy Shufflebotham  
*Director of HR & Business Support*

The Chief Executive is employed by Newlon Housing Trust and 95% of the costs are charged to Outward Housing.

Financial and Information Technology services are purchased from Newlon Housing Trust under service level agreements.

**Bankers**

Barclays Bank PLC  
Level 12  
1 Churchill Place  
London E14 5HP

**Solicitors**

Devonshires  
30 Finsbury Circus  
London  
EC2M 7DT

**Auditors**

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick  
West Sussex  
RH6 0PA

**Other trading styles**

Nutley Edge Cottages

**Websites**

[www.outward.org.uk](http://www.outward.org.uk)  
[www.nutleyedge.org.uk](http://www.nutleyedge.org.uk)

# Trustees' Annual Report, incorporating Strategic Report

*The Trustees present their report and the audited financial statements for the year ended 31 March 2024.*

*Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice — Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.*

## Purpose and Aims

In 1975 a group of parents and professionals in Waltham Forest got together to find a way for people with learning disabilities to live outside institutional care; this is how Outward was created and where our name comes from, living 'out of the wards', in the heart of local communities.

Outward Housing's (Outward) purpose, as set out in our Articles of Association, is:

***“ to provide housing, education, support and care to persons in necessitous circumstances, including people with learning disabilities, people with mental health problems and older people, on appropriate terms in accordance with their individual needs and in any way that is charitable in law. ”***

The main activities undertaken by Outward in relation to this purpose and for the public benefit are:

- support and care services, delivered within registered care homes, supported living, day activities, through community outreach and supported holiday and activity break provision;
- specialist housing management services; and
- volunteering and befriending services.

We provide services to people living in the community who may be vulnerable by nature of their age, disability, life circumstances or mental health and sometimes compounded by physical disability.

The Trustees review the activities that Outward has undertaken as set out in its aims and objectives. The review also helps the Trustees ensure Outward's aims, objectives and activities remain focused on the strategies and objectives that were set and performance against them.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing Outward's aims and objective and in planning its future activities. In particular, the Trustees considered how planned activities will contribute to the aims and objectives that have been set.

## Strategic Report and Performance

The strategic direction and performance monitoring of Outward, as a charity, focuses on the provision of high-quality and reliable care, support and intensive housing management services to people requiring these services across most boroughs in north and east London.

Our geographical coverage started in Waltham Forest and grew to the current nine London boroughs and the City of London in which we operate. Waltham Forest, Tower Hamlets, Enfield and Hackney are our biggest serviced boroughs for care and support.

Outward continues to maintain a range of services to persons requiring support, which is highlighted in the achievements and performance section, allowing it to absorb the impact of a potential loss of a funder or service stream.

Service provision is, in the context of operational efficiency, achieving small year on year financial surpluses for maintaining sufficient day-to-day cash balances to fund operational activity and sufficient reserves to ensure Outward can continue to provide services into the foreseeable future.

Our balance sheet and ratios remain strong, buoyed by increased valuations of our properties.

We are registered with the Fundraising Regulator and apply resource to invest in fundraising activity seeking funds for non-statutory services, including expanding our activity breaks and funding people who could not otherwise afford to attend our breaks to benefit from them. 2023-24 saw the purchase of a mini-bus, part grant funded to enhance our service offer.

The need to invest in and improve our use of software, technology and IT infrastructure was recognised, and in 2023-24, we launched our digital strategy; this work continues into 2024-25.

Outward has previously invested some of its reserves in holiday cottages in East Sussex and three private rent flats in the London Borough of Waltham Forest. Commercial profits are reinvested into charitable activities and the holiday cottages are also used as a base to provide charitable activity and respite breaks.

Over the long term two thirds of Outward's service income is derived from care and support revenue and one third from intensive housing management, both designed to enable people we support to maintain their tenancies and make progress in their lives. Statutory funding does not cover the additional services that can make a real difference to people's lives and wellbeing, therefore Outward has funded and delivered additional projects through its community engagement and volunteering team. Outward seeks grant funding to support this work.

Outward does not undertake widespread fundraising from the general public as defined by the Charities Act 2011 as "soliciting or otherwise procuring money or other property for Charitable purposes". Any amounts receivable are presented in our accounts as "income from donations and grants". All fundraising activities are managed internally, without involvement of professional fund-raisers and the daily management of such income is delegated to the Executive team, who are accountable to the Trustees.

Care and Support is provided in a variety of settings primarily: Supported living, outreach and a

registered care home with intensive housing management provided for properties owned by Outward's parent, Newlon Housing Trust, and five other landlords.

Outward collects rent, and sets and collects service charges, from tenants on behalf of landlords and pays back a share of the rent to the landlords as a 'tariff'. From the proportion of rent retained by Outward, Outward funds its intensive housing management and the risk of voids and arrears. Landlords are responsible for maintaining properties. Newlon provides Finance and IT support services to Outward. All intra group services are provided at commercial rates.

From the above it will be apparent that Outward is a 'service provider' charity, the following sections set out Outward's operating environment, the risks it encounters and mitigates, how Outward has performed in 2023-24 and how it expects to operate going forward.

### **Operational Risks and Exposures**

Outwards Board reviews its Risk Register and mitigating actions at each Board meeting but delegates oversight of financial performance and associated risk to an Operations Committee, who meet quarterly in advance of Board meetings, reporting back to the Board. The remit of the Operations Committee is reviewed regularly and includes operational performance and financial resilience as well as key performance indicators of service performance, efficiency and quality as standing agenda items.

In 2023-24, the Outward Board developed a new risk appetite statement. This Statement considers the main areas of risk (risk classes) to which Outward is exposed. It outlines the Board's position in relation to each risk class and guides management in decision making.

Policies such as treasury management and delegated authorities, as part of Standing Orders are also reviewed regularly. Additionally, Outward uses the services of a third party internal audit service, who also report to the Newlon Group Audit & Risk Committee.

Our Risk Register categorises the risks we face in four key ongoing areas:

**Financial:** We rely mainly on Local Authority and Health funding to fund our services. After mitigation this remains a key area and a material risk. Our strategy will consider the funding policies of each local authority, potentially leaving contracts which we believe do not appropriately fund our services to a level the people we support deserve and for paying our staff at least the London Living Wage.

**People:** We are dependent on our staff for the delivery of our services, therefore a key task is to recruit and retain enough high quality care and support staff. This remains a major challenge in London and the south-east, and following mitigation, including keeping all our frontline staff to at least the London Living Wage, we believe this remains a material and increasing risk to us due to the current cost of living, as it does for the whole sector.

**Service Delivery:** It is essential to us that, as a charity, we deliver services that benefit the people we support and our residents. Given the risks in regard to the income we receive and the sector problems in recruiting, the right service delivery is challenging.

It is only by ensuring we do not compromise on quality evidenced by robust and effective quality assurance systems that we can reduce this risk.

Feedback from the people we support, our stakeholders and the Care Quality Commission clearly indicates we are successfully mitigating the risks we face and continuing to deliver good quality services.

**Health and Safety:** This is inherent in all we do, specifically in supporting vulnerable and disabled people to live as independently as possible. Outward has worked over the last year to ensure we are successfully meeting challenges in regard to health and safety, including utilising external audits and expertise. Our Health and Safety Committee meets quarterly to review health and safety risks and monitor performance.

**The key operating risks to Outward are considered as:**

- Funding of care and support contracts- Outward remains committed to paying its, London based staff at least the London Living Wage (LLW). For 2023-24 this was an uplift of 8.14% that most, but not all the boroughs we work with were content to fund this. Going forward, we have uplifted support worker pay by 10% from April 2024 in line with the Living Wage Foundation recommendation. At the balance sheet date, we are still negotiating with boroughs to fund this salary uplift and general cost increases. We expect 2024-25 to be a particularly difficult year in this regard. Outward's position remains that the charity should not be subsidising local authorities for their statutory responsibilities with charitable reserves. Should our services be transferred to another provider, TUPE regulations will apply to mitigate any potential redundancy costs.
- Outward maintains a register of contracts and supporting document repository supporting invoicing for care and support provided. However, most of the boroughs we work with maintain their own brokerage team records. Delays and errors can impact on the timely collection of debt. In recent years, delays are exacerbated by drawn out uplift negotiations. Direct dialogue to rectify issues with boroughs in this area can be difficult, and debt levels remain, yet again, higher than target.
- Typically, for care and support services, direct costs cluster around 85% of associated income with the remainder covering local operating costs, overheads and a small surplus to maintain reserves. Controls are in place at budget setting including the creation of staff establishments, rotas and monitoring of spend through monthly management accounts. In 2023-24, all but two services covered their direct local costs (2022-23: all) and contributed towards overhead costs.
- Recruitment and retention of staff remains a key indicator of performance and can impact upon service quality. Vacancies are monitored as a key performance indicator as is staff turnover, although Outward's staff turnover is below industry average it remains an area of risk and strong oversight.
- We manage 613 tenancies over a wide range of property types on behalf of six landlords, principally Newlon Housing Trust.

Housing Management Services are funded by retained rent and allowable service charge administration fees. Rent was uplifted by 7.7% in 2023-24.

Void management across our homes has improved in the last 12 months, which has reflected positively on the accounts, with the average void loss greatly reduced to 5.4% from over 7% in previous years. We continue to work with Newlon Housing Trust's asset management team, to identify those properties making deficits and which require remodelling or returning to Newlon Housing Trust if they are no longer be suitable for supported housing. Together, we are working to ensure the supported housing we manage is fit for purpose and will meet the future needs of our residents.

- Residents are continuing to be impacted by the cost of living issues, Outward assisted residents with targeted advice from a Cost of Living advisor, who reviewed individuals circumstances and signposted residents to specialist advice where appropriate. Staff were also greatly assisted through the creation of the costs of living reference library.
- Residents' satisfaction and ensuring residents are heard has been a key priority this year. We are pleased to report that Outward received an overall satisfaction score of 83% with the caretaker service receiving a score of 88%.
- Outward has been an employer member of the Social Housing Pension Scheme (SHPS) since merging with another charity in 2002, and levels of reserves are exposed to material annual fluctuations in the accounting valuation of liability to the SHPS scheme. The Trustees consider that all cost effective mitigations available have been taken over more than fifteen years and continue to work with professional advisers to identify any further mitigating actions. Longevity rates, inflation rates and movements in financial markets will have an impact on exposure. However the Trustees recognise a material risk remains with former employees of Outward continuing to benefit from the scheme with pensions or deferred pensions, currently for the next approximately forty years. Outward is committed to cash funding its share of liabilities until March 2028, with the next actuarial valuation due in September 2023 and the outcome expected by mid- 2024.
- Outward has been able to maintain cash balances with prudent treasury management and has built up sufficient cash reserves over the years to satisfy working capital requirements, operational risks and with funds available for future investment in charitable services.
- Outward is keenly aware of the operational and reputational risks involved in providing people based services to vulnerable adults. It is considered those risks are managed down to an acceptable level.

In summary, in a period of economy uncertainty, the interaction between setting salary and benefit levels appropriately to attract and retain staff and the willingness of funders to recognise and fund the cost of providing statutory services will be a key dynamic for 2024-25 and beyond.



## Achievements

Outward's charitable activities focus on improving people's independence and life opportunities and are undertaken to further Outward's charitable purposes for the public benefit.

In 2023-24, Outward supported 900 people (2022-23:887) to maximise their independence and social engagement by providing essential care and support services. We provided our services across ten London boroughs and at Nutley Edge to individuals with learning disabilities, autism spectrum conditions, mental health issues, young people at risk, and older people. All of our services regulated by the Care Quality Commission have retained a CQC Good rating.

With the continued help of colleagues, volunteers and some brilliant grant giving trusts and donors, we have been able to:

- Run a nutrition project which is improving knowledge and skills in budgeting, shopping and cooking healthy meals. This has been rolled out to all services in 2023-24.
- See the legacy of last year's sports project funded by Sports England, where some services have arranged sessions directly with a sports trainer.
- Host an awards evening for the people we support to celebrate their achievements in the last year.
- Learn from a safeguarding video which has been created by and with the people we support from our Outreach services.
- Run a Gardening Competition, encouraging people we support to get out and involved with nature and take pride in their environment.

In 2023-24, the people we support benefitted from over 2,650 hours of additional time with the amazing community volunteers we recruited; helping people learn new skills and enjoy their interests and to reduce social isolation through befriending.



We monitor outcomes as part of our key performance indicators. On average, in 2023-24, we supported people to achieve 94% of the outcomes they wanted to achieve in their lives. This is a testament to our colleagues in services who continue to place individuals at the centre of their support.

### Co-Production

We continued to deliver our strategy of Co-production across the organisation in 2023-24. We have held a quarterly Family Forum, People we Support Committee and Co-Production panel meetings. These activities ensure we are regularly listening to, and learning from, those who experience Outward services. People we support have completed 28 Quality Checks providing reports which form part of the annual audit process for our care and support services. We have Co-trainers attending every Welcome Day so that new staff are aware from the beginning of their employment of the value we place on the people we support views on how they want to be supported. We have produced easy read versions of the business plan and our EDI strategy, which were presented to the People We Support Committee and across the organisation.

Our Co-trainers and Quality Checkers continue to meet monthly as Outward's Ambassadors Group and provide feedback to the organisation.

### Valuing our Colleagues

The increased cost of living has continued to impact our colleagues. At the start of the year, we faced a real challenge in seeking fee increases from local authorities in order to pay colleagues a minimum of the London Living Wage. This was a commitment Outward made in 2022 and one that reflects our values as a charity and an employer. We recognised that the cost of living was having a real impact on our colleagues, and so in April 2023, we were pleased to be able to award a minimum of 6% pay uplift and 8.14% to the lowest paid roles. For the people we support, we set up a tenant welfare fund to assist with rising energy costs and employed a cost of living advisor to help individuals navigate this difficult period.

### Growing and Developing

In November 2023, Outward took over a supported living service for people with learning disabilities in Tower Hamlets from another provider and have been working hard to improve the service quality. Tower Hamlets also renewed our contracts for Selwyn Rd, Albert Cottages and Fenton Street for another three years.

We were successfully admitted to the London Borough of Newham Framework for supported living services, and the London Borough of Hackney Day and Evening Framework in 2024.

We continue to work in partnership with Newlon Housing Trust, and, subject to planning, building work will start on two supported housing developments within the next financial year.

In the year ahead, our focus will be on helping people we support achieve better health outcomes through well-being awareness projects and a specific project prioritising women's health issues. Women with learning disabilities die, on average, 18 years earlier than women without a learning disability. This is a shocking statistic we want to change by bringing the health of women to the forefront for both our colleagues and the people we support.

### Developing Skills and Knowledge

The Care Quality Commission (CQC) has published a new assessment framework and, as a regulated provider, Outward must be ready to meet the new standards. There are a number of new legislative and regulatory changes we must adopt relating to Housing including the Social Housing Act and

Consumer Standards, Supported Housing Regulatory Oversight Act, Building Safety and Fire Safety Act, Leasehold Reform bills, Procurement and Value for Money and Rent Reform Bill. To ensure compliance with the Social Housing Regulations and to ensure residents receive a high-quality service we will be supporting our housing colleagues to undertake newly required professional qualifications.

Outward's care services are rated Good by CQC, but we are striving for 'outstanding', so this Year, we will be delivering a plan to achieve excellence in our care delivery under the new CQC Assessment Framework.

The young people we support in Hackney have achieved great outcomes already, but in 2024-25 we will be increasing investment and training for staff in providing Psychologically Informed Environments and measuring our services against Ofsted standards.

Our work within the learning development area in 2023-24 has included: launching a new version of our Care Skills Academy e-learning with completely new and more interactive content, and introducing a new range of interactive classroom courses suitable for all levels of the organisation.

We published a nine-month ahead training calendar to allow managers to better plan and develop staff and provided new content for the intranet and on Workplace-creating a knowledge 'hub' available for all staff). We have undertaken a number of collaborative projects with other charities, launching a mentoring platform, re-started the NVQ offer and in line with our EDI strategy, provide funding for five places on the Skills for Care Moving Up Programme for Black Minority Ethnic staff.

We have a re-designed Welcome Day that is interactive and more informative for participants; and piloted people we support training and continue to invest in Positive Behaviour Support with six new coaches trained.

### **Developing our Digital Strategy**

In the last year, we purchased new software licences to more efficiently manage rostering, time and attendance reporting for payroll. Following a pilot and trial period, we will be ready to roll out across all departments from autumn 2024 and we expect to see real results in terms of management time saved and more efficiency in central processes.

In 2024, we will continue with our Digital Strategy, which will include procuring new app based software to replace our current care planning system and reviewing our HR and recruitment digital needs. To support our digital strategy, we will be reviewing our IT asset management processes, which means improving how we buy, manage, assign, track and dispose of our IT hardware. We will also be looking at what is the right hardware for our future plans.

The Resco app is in use across the department, compliance for water testing, flushing, fire alarm/panel testing and general repairs are all recorded and escalated through the app directly onto our workflow system Dynamics. In addition, the rent team have scoped and agreed the implementation of Rentsense, an arrears management module, which will reduce administration time used on the CX housing management system as the system works by prioritising arrears cases on an escalation process. It is anticipated that the system will go live at the end of July 2024.

The housing team have also been working with Newlon and an external consultant to improve repairs performance reporting. This is currently in the testing phase and should be rolled out by the end of September.



### Nutley Edge Supported Holidays and Respite

Nutley Edge continues to be a popular destination for breaks for the public and our supported holiday guests. We continue to provide high quality supported holidays at Nutley Edge for people with disabilities. In 2023-24, we increased our activity breaks from 15 to 19 in the year and following an ongoing increase in demand, we are providing 22 breaks in 2024-25. We provided 172 places in 2023-24 (2022-23: 155).

Families tell us they appreciate the break it gives them from their caring roles and how much their loved ones receive from their holidays. One family told us that supported holidays give their daughter confidence and helps her get ready for the next steps in her life.

With previously raised funds, we have bought an accessible minibus for the supported holidays, so people with a range of needs can enjoy beautiful East Sussex during their time with us.

We received generous donations from charitable trusts and individuals so we can carry on offering more people, who otherwise can't afford it, a much needed holiday or respite break.

In March 2024, we completed our 99<sup>th</sup> supported holiday, with a maximum of 12 places on each holiday – a great achievement. We are looking forward to a cake and celebration for the 100<sup>th</sup> break coming soon.



### Fundraising

Again this year we have received generous donations from trusts and individuals towards supported holidays so people in financial need could have part or fully funded breaks.

Staff from our Hub Club service in Hackney went marathon running this year. Maria de la Paz Tissier earlier in the year raised hundreds of pounds towards art materials and a sensory garden. Will Stevens a few months later raised hundreds of pounds for a trip to the coast. Hub Club are still waiting for summer to properly arrive to enjoy the trip.

Carterhatch, Enfield supported living scheme celebrated the King's Coronation and accessed a London Borough of Enfield grant.

Our people we support awards celebration and older people services event was supported by local business partners and Newlon Housing Trust.

From grant awards received last year we have been busy running Nutrition sessions and providing Cost of Living Champion support for the people we support.

For the year ahead, we will be focusing on additional donations towards providing supported holidays for people in financial need and other well-being initiatives.

***Thank you to the funders, staff and generous individual donors who supported our work this year so we can continue to put our values into action including:***

**Grants from Trusts**

**Individual donations**

**Nationwide Building Society**

**Local Business Partners**

**London Borough of Enfield**

## Performance Monitoring

Outward sets Key Performance Indicator (KPIs) targets every year to measure our progress against our business plan and evidence that we are successfully mitigating risks. These high level KPIs are supported by a subset of clear performance indicators that are monitored and validated regularly.

In 2023-24 areas of performance being monitored as KPI's included the following; together with target and achievements comparisons to previous year:

- Care Quality Commission Inspection Rating (target 100% Good)- Achieved (100% in 2022-23).
- Positive Outcomes achieved by people receiving our support (target 95%) - Achieved average 94% 2023- 24 (91% in 2022-23).
- Voids (target below 6%) – Average 5.4% in 2023-24 (8% in 2022-23). We have been working with local authorities to try and speed up referral processes, and the latter part of the year saw some longer-term voids finally filled.
- Staff sickness absence (target maximum average days sick per FTE employee 7.2) not achieved – 13.11 average days (10.61 in 2022-23). We believe the pandemic continues to impact staff sickness due to potential long COVID and higher levels of mental health related illness reported. We have been working hard to reduce this with well-being initiatives and support, and in the latter part of the year, we saw sickness absence reduced significantly.

## Role of our Volunteers

Volunteers have always been key to Outward's goal of engaging, enabling, and empowering people across our services, as they offer rich relationships that stem from a genuine wish to improve lives. Our volunteers have diverse backgrounds and skill sets, allowing them to offer a wealth of experience in roles that range from befriending to graphic design.

Some of the exciting projects led by volunteers over the last year include:

- **Nutrition:** We recruited health psychology students from University College London to run the nutrition course across our three services in Enfield. People we support and staff learned healthy recipes and how to make smoothies.
- **Sex and Relationships:** This project was run for people we support and was very well received, with feedback that people we support and staff would welcome more support in this area. As a result, training is being sought for 2024.
- **Central volunteer:** One of the people we support is volunteering for HR and Housing to help with filing, shredding and other administration tasks.
- **Cyber Art Project:** A University College London volunteer worked with people we support in a few of our Waltham Forest services to explore the benefits of art on mental health and how to access art through the digital medium.

## Supported Housing

A safe home and the wellbeing that comes with it is what we aim to provide to the 613 residents who already live in an Outward managed property.

As residents continued to feel the effects of the cost of living crisis, our charity was similarly squeezed by the growing costs of delivering services to a consistently high standard. With a continued focus on value for money, we procured new cleaning contracts across our housing with care services. Utility costs were reduced significantly under new contracts. We continued to offer the tenant welfare fund to those most in need with the fund being in excess of £15,000. 31 self-funding residents were assisted with a one-off payment of £303 toward covering their increased service charge costs in recognition of the increase in cost they were facing with not being entitled to benefits or assistance financially.

The cost of living advisor provided targeted advice to young people, and people with learning disabilities, providing advice and support to over 48 residents in the last 12 months. Housing associations and managing agents are operating under increased regulatory scrutiny, with an understandable focus on the importance of listening to residents and ensuring their safety at home. We have worked hard over the last 12 months to find the balance between delivering efficient services designed with the resident experience in mind, with the ability to evidence our performance against, and compliance with, the Social Housing Regulation Act 2023. Part of this process was to review and align our KPI's and PI's so that information was easy to review and interpret.

The voice of our residents holds much potential to help us achieve our vision and continue to improve services. Whilst we have many informal channels for resident involvement, we have reviewed how we can involve residents in governance and make a meaningful impact to effect change in service delivery. The first step in this process was collating satisfaction among residents through the TSM's (Tenant Satisfaction Measure) and reviewing complaints handling in line with the new consumer standards. Following on from this work, we are launching a resident's scrutiny panel, as a core pillar in our governance structure for 2024, to place Residents voices at the heart of how we deliver our services.

## Financial review, Growth prospects and Reserves policy

Despite the ongoing challenging economic environment Outward was again able to produce an operational surplus. The key operational results were:

	Note:	2023-24 Budget £k	2023-24 Actual £k	2022-23 Actual £k
Income	1	20,224	19,947	17,883
Operational surplus	2	319	331	87
Valuation gains on investment properties and fixed assets	3	-	127	150
Increased pension scheme liability	4	-	(117)	(134)
Net surplus		319	341	103
Charity funds		8,694	8,716	8,375
Capital expenditure	5	200	138	65
Cash held	6	5,734	6,167	5,610
Current ratio (current assets / current liabilities)	7	2.00	3.15	3.56

1. Income increased by 11.5% during the year, with material increases in all three main sources of Income either through uplifts or the recovery of increased service chargeable costs.
2. Surplus was after paying one cost of living supplement during the year to staff, offset by additional interest received.
3. A valuation gain was again advised on the holiday cottages at Nutley Edge, with the private rent flats in Waltham Forest and the offices beneath valuations little changed.
4. Outward's share of the Social Housing Pension Scheme's liability was assessed, under FRS102, as increasing by £18k to £603k even after cash payments made during the year under the deficit repayment plan.
5. The under spend in the capital programme of £65k is before adding £75k of development costs for a licenced staff rota and time recording software system, which was in development at 31 March 2024.
6. Cash at the year end exceeded both £6,000k and the budget, however ongoing issues with agreeing and collecting debt from local authorities saw cash held drop below £5,000k in the middle part of the year. Outward paid its parent, Newlon Housing Trust, monthly on account payments of £250k for services provided by Newlon.
7. The current ratio at 31 March 2024 remained well ahead of target.

Outward takes a risk-based approach to reserves so that the Trustees intend to hold a level of unrestricted free reserves (i.e. excluding fixed assets) sufficient to meet the estimated financial impact of the most significant risks identified, provide reasonable flexibility and enable Outward to operate smoothly in the case of unforeseen circumstances.

Any restricted funds are held to ensure donations and grants intended for specific charities or causes are not used for other purposes. Unrestricted reserves are available to use as the Trustees see fit.

	2023-24 £k Target	2023-24 £k Actual	2022-23 £k Actual
Charity funds	8,694	8,716	8,375
Less: fixed assets and investments	(3,902)	(3,966)	(3,784)
Less: Designated funds	-	-	-
Unrestricted free reserves	4,792	4,750	4,591
Unrestricted free reserves / charity expenditure (expressed as weeks of operational expenditure)	13.0	14.2	13.4

Designated funds at 31 March 2024 were £nil (2023: £nil), as shown in Note 20 to these financial statements. Trustees reserve the right to designate funds in line with firm planning commitments.

The Trustees are confident that the unrestricted free reserves level provides Outward with reasonable financial stability and flexibility in addressing any unknown risks and achieving business objectives. The Trustees review the level of reserves annually and may decide to adjust the policy level to ensure that the unrestricted free reserves are maintained at an appropriate level.

As a care, support and intensive housing management provider, most of our income is provided by local authorities, directly from care, supported living, outreach contracts and housing benefits, or indirectly through direct payments from local authorities to people we support for statutory services. Care and support contract income by borough is provided in note 3 to these financial statements and amounts to 62% (2023: 63%) of the total income.

Our income for 2023-2024 was £2,063k, or 11.5% more than the previous year. We attribute this to:

- Rents rising by 11.1%, some from April but mostly from October 2023
- Material increases in service charge income reflecting the recovery of cost of living issues, particularly in communal energy costs
- Care and support contract uplifts with most approaching the 8.14% increase in the London Living Wage from April 2023
- A new service in Tower Hamlets from late November 2023
- Improved performance in re-letting void properties.

The London Living Wage was fully implemented from April 2022, and all our staff working in London are paid, from April 2024, at or more than the London Living Wage of £13.15 per hour. The pay uplift of 10.04% for support workers will be monitored in terms of recruiting and retaining staff and challenges, even more so than 2023-24, remain to ensure local authorities fund contracts appropriately.

Income at Nutley Edge in 2023-24 increased by £18k to £241k from 2022-23 based on price increases with occupancy levels, post staycation boom, steady.

It is planned in 2024-25 to increase the ratio of charitable sales over commercial sales. In line with this, having increased or number of activity breaks at Nutley Edge from 15 to 20 on the 2023-24, we have planned to offer more breaks in 2024-25.

Growth plans remain modest but having taken on a learning disability service in Tower Hamlets late in 2023, there are further opportunities arising in 2024-25. Progress, slower than hoped, is being made to replace our former care home at Drayton Rd in Waltham Forest.

## Plans for the Future

As part of the Newlon Group, our shared strategic objectives continue to shape our plans for the year ahead alongside feedback from people we support, colleagues and stakeholders. The important plans we developed in 2023-24 will also still guide our work and set targets for this coming year. These include our Staff Survey Response plan, EDI Strategy, Digital Strategy, Workforce Plan, Positive Behaviour Support and Co-Production Strategy.





# Business Plan 2024/25

● engaging  
● enabling  
● empowering



## Excellent Services

### Improving quality and safety in our services

- Achieving 'Outstanding' CQC ratings
- Enhancing Psychologically Informed Environments in Young People's services
- Improving women's health and awareness
- Empowering staff to report poor practice
- Improving the input of co-Production and co-design practices in all our work



## High Quality Homes

### Enhancing resident engagement and compliance

- Deliver our new Resident Engagement Strategy
- Deliver programme of professional qualifications to meet new Social Housing Regulations
- Deliver training to people we house to improve safety in the home
- Ensure compliance with new Supported Housing Act



## Growth

### Developing strategic plans and initiatives

- Develop Outward's New Long-Term Strategy
- Partner with Newlon on new supported housing schemes for young people and people with learning disabilities
- New Business Plan for Nutley Edge
- New Fundraising Strategy
- Grow our Community Volunteer Base



## A Dynamic Workplace

### Prioritizing equity, diversity, and employee wellbeing

- Deliver year two of our Equity, Diversity and Inclusion Plan
- Deliver project to reduce stress among colleagues
- Enhance staff knowledge around Mental Capacity & Safeguarding
- Launch Aspiring Managers Programme
- Implement year two of Workforce Plan to improve recruitment and retention



## Efficiency and Effectiveness

### Modernising systems and optimising assets

- Digital strategy - Procure a new system to replace Iplanit
- Create new environmental working group and action plan
- Review our IT asset management processes
- Review our property assets to ensure they deliver value and impact
- Health and safety – undertake professional qualifications and review employee risk assessment process



Find our full business plan, including KPIs, on the intranet or on Workplace

## Corporate Governance

### Governing Document

Outward is a charitable company limited by guarantee. It was incorporated on 29 July 1987 and registered as a charity on 5 December 1988. It is a separate legal entity with its own governance structure within the Newlon Group. Outward operates under its articles of association that establishes Outward's principal objective of providing care and support to vulnerable people to help them lead meaningful lives and maximise their independence and governs the powers under which Outward must operate.

### Newlon Housing Trust

Newlon Housing Trust is a not-for-profit community benefit society and a charitable housing association. Outward does not receive financial support from Newlon Housing Trust or any of the Newlon Group companies. Intra-group transactions and activity with Newlon are transacted at commercial equivalent rates and are governed by a formal intra-group agreement with Newlon Housing Trust that sets out the rights and responsibilities of both parties. Day to day operating arrangements and day to day control is exercised through the intra-group agreement. Outward does not trade with any other members of the Newlon Group.

### Governance Codes

Outward has adopted the Charity Governance Code (2020), and although Outward is not a registered provider, we have adopted the National Housing Federation (NHF) Code of Governance 2020 and Code of Conduct 2022. The Board reviews compliance with the NHF Codes annually and confirms that Outward is compliant with both the NHF Code of Governance and Code of Conduct in 2022-23.

### The Board

Newlon Housing Trust has the right to appoint and remove Outward Board members, has 51% of voting rights at General Meetings, and is a Member of Outward Housing. There is reciprocal representation on the Board of Trustees with Newlon Housing Trust.

We seek to ensure that Trustees represent the diversity of the communities we serve, and have the range of experience, knowledge, and professional skills required by Outward.

Potential new Board members are identified by various processes, including advertisement, recommendations, and referrals. They are then invited to attend and observe one Board meeting prior to recommendation of formal appointment that are, where appropriate, approved by the Newlon Housing Trust Board. Appointments are for a period of three years and Trustees do not receive remuneration. Outward embraces its responsibility for good governance and provides induction, training, and ongoing support to Board members, including regular reviews of their contribution and training needs. All Trustees give their time voluntarily and receive no benefits from Outward.

Any expenses reclaimed from Outward are set out in note 8 to the financial statements.

## Committees

The Board has an Operations sub-committee and a Remuneration sub-committee. The Committees report back to the Board, and minutes of Committee meetings are circulated to Board members. The views of people we support are represented at the Committee meetings, with a representative from our 'People we Support' Committee attending twice per year to provide feedback and attend Board planning days. The Remuneration sub-committee monitors trends in pay and rewards and makes specific recommendations to the Board concerning pay proposals.

The Board also receive feedback from the Group Audit and Risk Committee, who are accountable to Outward for Outward Matters. An Outward Trustee is a member of the Group Audit and Risk Committee, however this appointment is currently vacant.

## Executive Team

The Executive Team meet regularly and are under the responsibility of the Chief Executive, who in turn, is accountable to the Board. The Executive Team are those post holders with functional responsibilities as listed in page 1 of this report.

## Related Parties and Relationships with Other Organisations

Outward works closely with Newlon Housing Trust and other registered providers of social housing (landlords), providing an intensive housing management service under formal agreements. A formal agreement also exists for Outward's use of the office building at Tottenham Hale, owned by Newlon Housing Trust.

Outward buys Finance and IT services from Newlon Housing Trust. Outward also works collaboratively with Newlon Housing Trust's Business Development team to develop new housing for supported housing tenants and on joint procurement exercises.

## Remuneration Policy for Key Management Personnel

Remuneration for key management roles is overseen by the Remuneration sub-committee. It is reviewed and determined with regard to current market rates and benchmarked against comparable industry salaries. The objective is to attract, retain and motivate personnel to ensure consistent and stable management of services.

## Policy for Employment of people with protected characteristics

Outward recognises that discrimination and unconscious bias can have a negative impact on both staff and the people we support. We have continued to work to make sure we are equipped as an organisation to uncover and challenge discrimination wherever it manifests itself. We have undertaken an equality impact assessment on our disciplinary process to make sure that it does not discriminate against people with protected characteristics.

The launch of our Equity, Diversity and Inclusion (EDI) Strategy in 2023-24 set out challenging but vital targets for Outward to achieve over the next two to three years and the Board are closely monitoring progress. We will be investing in EDI accreditation, staff development and qualifications and ensuring that the people we support are empowered to celebrate their individuality and supported to live the life they choose.

We have fostered inclusive and fair working practices and sustained an inclusive organisation where the dignity and rights of people we support and staff are respected and protected. We have worked to empower people to celebrate their individuality and protected characteristics, understand their right to live the life they choose free from discrimination and be supported by people who promote and advocate for inclusivity. 97% of our staff have completed Equality and Diversity training.

### Employee Engagement

We undertook a full externally managed survey of Outward colleagues in 2023-24. The Outward Board felt this investment was critical to really understand how people feel about their roles, their services, and about Outward as an employer.

We had some really positive feedback with 78% of respondents said they would recommend Outward as a good place to work, and 81% people saying they enjoyed working for Outward.

However, we also found areas where we can improve, and this has guided much of our focus throughout the year and will continue to do so into 2024-25. We recognise that colleagues who feel valued and supported will perform better in their roles and go on to deliver the best services possible to the people we support – and that is the most important driver for Outward – to deliver great services to people who need them.

In the latter part of 2024 we ran three, well attended, staff conferences where we highlighted our EDI action plan, our digital road map and the results of the staff survey.

Supporting colleagues with their well-being and managing stress in the workplace continues to be an Outward priority. We have delivered a number of projects and initiatives throughout the year and undertake pulse surveys to check that these are having a positive impact. One of these initiatives has been the training of Mental Health at work First Aiders.

In 2023-24, as a result of the consultation for our EDI strategy we setup a group of volunteer EDI champions to promote our strategy within services. Similarly, we set up a group of volunteer digital champions to work within teams to support the implementation of our digital strategy.

### Workplace: Bringing Our Colleagues Together

Workplace (Facebook for the work environment) has become our digital common room, a virtual space where our colleagues gather to share experiences, celebrate successes, swap cost of living advice, and participate in various interest groups. This online platform cultivates a sense of community, enabling collaboration and empowering our workforce. As of May 2024, this lively digital hub has attracted 471 activated users, with 297 of them actively engaging on a monthly basis, contributing to the vibrant exchange of ideas and information across our organisation.



### Statement of Responsibilities of the Trustees

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 Outward, and of the incoming resources and application of resources, including the income and expenditure, of Outward for that period.

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

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable 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 Outward will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain Outward's transactions and disclose with reasonable accuracy at any time the financial position of Outward, enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Outward and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Trustees' Statement of internal control

The Trustees recognise that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of Outward's assets and interests.

The Trustees receive a detailed report on Internal Controls Assurance to the Group Audit and Risk Committee prepared by the Chief Executive. As a result of the consideration of this report the Board is prepared to make the following statement.

The Trustees confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by Outward. This approach has operated throughout the year under review up to and including the date of approval of the annual report and accounts.

Key elements of the control framework that are established by the Outward Housing Board are:

- significant risks and financial implications considered as part of the decision making process and the incorporation of key risks and mitigations into a risk register with;
- the review and approval of detailed Standing Orders and Financial Regulations and documentation of policies and procedures for all key operational areas;
- the consideration of organisational risk appetite
- the adoption of a three-year financial plan;
- regular reviews of key performance and dashboard indicators;
- the operation of a comprehensive budgeting system and the regular review of the financial performance; and
- the formal appraisal by the Outward Board of new business opportunities including significant new schemes and contracts, subject to delegations of authority.

Additional controls included within the Newlon Group internal control framework are:

- the operation of an outsourced internal audit function, following a three-year needs and risk-based plan and reporting to Outward and to the Group Audit and Risk Committee; and
- controls operated by Newlon's finance function in delivering financial services to Outward Housing under a Service Level Agreement.

### Auditors

BDO LLP were reappointed as Outward's auditors during the year and have expressed their willingness to continue in that capacity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 24 June 2024 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'J Howlett', with a stylized, cursive script.

Jane Howlett CBE  
Chair



# Independent Auditors' Report to the members of Outward Housing

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2024 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.

We have audited the financial statements of Outward Housing "the Charitable Company" for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'S Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions related 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 Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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. The other information comprises: the Trustees' annual report and the Strategic 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.

### Other Companies Act 2006 reporting

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

- the information given in the Trustees' annual 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 Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

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

### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.



### Auditor's responsibilities for the Audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

### Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable company and the sector in which it operates; and
- Discussion with management and those charged with governance including the Newlon group Audit and Risk Committee; and
- Obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Charities Act 2011 and the Charities SORP (FRS 102) and the Companies Act 2006.

The Charitable Company is also subject to laws and regulations where the consequence of the non-compliance could have a material effect on the amount of disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation, UK tax legislation, employment taxes and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meetings of those discharged with governance for any instances of non-compliance with laws and regulations; and
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation;

### Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance including the Audit and Risk Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.

- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be improper revenue recognition and management override in relation to accounting estimates and journal posting.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates made by management for bias, including the valuation of investment properties, rent arrears provision and defined benefit pension scheme assumptions;
- testing the application of cut off on revenue for the evidence that it was recorded in the correct period;
- testing the completeness of revenue throughout the year; and
- testing the existence and accuracy of supported people and care income.

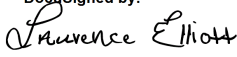
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 for the audit of the financial statements is located at the Financial Reporting Council's ("FRC'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 Charitable Company'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 Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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Laurence Elliott (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick, UK  
Date: 16 September 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Statement of financial activities (incorporating an income and expenditure account)

for the year ended 31 March 2024

Company no. 02151434

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
<b>Income from:</b>							
Donations and grants	2	12,911	64,389	<b>77,300</b>	8,504	14,956	23,460
Charitable activities							
Rent	3	3,724,406	-	<b>3,724,406</b>	3,310,433	-	<b>3,310,433</b>
Service charges	3	3,289,234	-	<b>3,289,234</b>	2,861,221	-	<b>2,861,221</b>
Care and tenancy support	3	12,373,008	-	<b>12,373,008</b>	11,318,721	-	<b>11,318,721</b>
Investments	4	286,872	-	<b>286,872</b>	276,664	-	<b>276,664</b>
Other	5	196,018	-	<b>196,018</b>	92,598	-	<b>92,598</b>
<b>Total income</b>		<b>19,882,448</b>	<b>64,389</b>	<b>19,946,838</b>	<b>17,868,141</b>	<b>14,956</b>	<b>17,883,097</b>
<b>Expenditure on:</b>							
Raising funds	6	41,728	-	<b>41,728</b>	5,736	-	<b>5,736</b>
Charitable activities							
Rent	6	3,954,600	-	<b>3,954,600</b>	3,470,539	-	<b>3,470,539</b>
Service charges	6	3,289,234	-	<b>3,289,234</b>	2,861,231	-	<b>2,861,231</b>
Care and tenancy support	6	11,996,778	-	<b>11,996,778</b>	11,158,970	-	<b>11,158,970</b>
Other	6	294,616	38,989	<b>333,605</b>	284,340	14,956	<b>299,295</b>
<b>Total expenditure</b>		<b>19,576,956</b>	<b>38,989</b>	<b>19,615,945</b>	<b>17,780,815</b>	<b>14,956</b>	<b>17,795,771</b>
<b>Net income before net gains on investments</b>		<b>305,492</b>	<b>25,400</b>	<b>330,894</b>	<b>87,326</b>	<b>-</b>	<b>87,326</b>
Net gains on investments	12	121,636	-	<b>121,636</b>	150,000	-	<b>150,000</b>
<b>Net income before other recognised gains</b>		<b>427,128</b>	<b>25,400</b>	<b>452,530</b>	<b>237,326</b>	<b>-</b>	<b>237,326</b>
Gains on revaluation of fixed assets	11	5,991	-	<b>5,991</b>	-	-	-
(Losses) on defined benefit pension schemes	18	(117,486)	-	<b>(117,486)</b>	(133,944)	-	<b>(133,944)</b>
	20	25,400	(25,400)	-	-	-	-
Transfer between funds							
<b>Net movement in funds</b>		<b>341,033</b>	<b>-</b>	<b>341,043</b>	<b>103,381</b>	<b>-</b>	<b>103,381</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		8,374,925	-	<b>8,374,925</b>	8,271,544	-	8,271,544
Total funds carried forward		<b>8,715,959</b>	<b>-</b>	<b>8,715,959</b>	<b>8,374,925</b>	<b>-</b>	<b>8,374,925</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 20 to the financial statements.

## Balance Sheet

for the year ended 31 March 2024

Company no. 02151434

	Note	£	2024 £	£	2023 £
<b>Fixed assets:</b>					
Tangible assets	11		<b>602,205</b>		532,582
Investments properties	12		<b>3,362,500</b>		3,250,000
Investments	13		<b><u>1,070</u></b>		<u>1,070</u>
			<b>3,965,775</b>		3,783,652
<b>Current assets:</b>					
Debtors	14	2,068,412		1,962,372	
Cash at bank and in hand		<u>6,167,254</u>		<u>5,610,096</u>	
		8,235,667		7,572,468	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	15	<u>2,610,809</u>		<u>2,124,588</u>	
<b>Net current assets</b>			<b>5,624,858</b>		5,447,880
<b>Total assets less current liabilities</b>			<b>9,590,633</b>		9,231,532
Creditors: amounts falling due after one year	17		<b>271,673</b>		271,607
<b>Net assets excluding pension liability</b>			<b>9,318,959</b>		8,959,925
Defined benefit pension s scheme liability	18		<b>603,000</b>		585,000
<b>Total net assets</b>			<b><u>8,715,959</u></b>		<u>8,374,925</u>
<b>The funds of the Charity:</b>					
Restricted income funds	20		-		-
Unrestricted income funds:					
Designated funds		-		-	
Revaluation reserve		1,193,233		1,065,605	
Pension reserve		603,000		585,000	
General funds		<u>6,919,727</u>		<u>6,724,320</u>	
Total unrestricted funds			<b><u>8,715,959</u></b>		<b><u>8,374,925</u></b>
<b>Total Charity funds</b>			<b><u>8,715,959</u></b>		<b><u>8,374,925</u></b>

Authorised and approved by the Trustees on 24 June 2024 and signed on their behalf by:



Jane Howlett CBE  
Chair



Eilish Kavanagh  
Treasurer

## Statement of cash flows

for the year ended 31 March 2024

	Note	2024 £	£	2023 £	£
Cash flows from operating activities	21				
Net cash from operating Activities			502,819		(690,496)
Cash flows from investing activities					
Dividends, interest and rents from investments		196,018		92,598	
Purchase of fixed assets		(137,515)		(65,494)	
Proceeds from sale of fixed assets		(800)		-	
Additions to investment properties		(3,364)		-	
Net cash provided generated from investing activities			54,339		27,104
Change in cash and cash equivalents in the year			557,158		(663,392)
Cash and cash equivalents at the beginning of the year			5,610,096		6,273,488
Cash and cash equivalents at the end of the year	22		6,167,254		5,610,096

The notes on pages 28 to 50 form part of these financial statements.

## Notes to the financial statements

### 1. Accounting policies

#### a) Basis of preparation

Outward Housing is a charity incorporated in England and Wales under the Companies Act 2006. The registered office address is Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE. 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) and (Charities SORP FRS 102 - second edition, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These are the accounts of the individual Charity and are not consolidated.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

Amounts are stated in pounds sterling and rounded to the nearest pound.

#### b) Public benefit entity

Outward meets the definition of a public benefit entity under FRS 102.

#### c) Going concern

The Trustees have considered Outward's operating position and the macro-economic climate and while these bring operational challenges the Trustees consider that there are no material uncertainties about Outward's ability to continue as a going concern.

Expected cash flows have been forecast through to September 2025 and indicate a sufficiency of cash, further a range of stressed financial scenarios has been prepared indicating that, even without further mitigation, Outward would have funds to continue operating for at least three and a half years. The reduction recognises, for 2024-25, a material gap between the London Living Wage uplift and the initial uplift offers received from local authorities.

The Trustees consider Outward has sufficient resources to fund its share of the Social Housing Pension Scheme deficit repayment plan.

#### d) Income

Income is recognised when Outward has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Rent is set in accordance with relevant legislation and is recognised from lettable properties (after deducting lost rent from void properties available for letting).

Service charge income is set annually in advance to recover service chargeable costs plus an allowable administration fee as a variable service charge on a property by property basis. Charges will include an allowance for the collection surplus or deficit from prior years, with a surplus being returned to residents by a reduced charge or a deficit being recovered by a higher charge. Until these are returned or recovered they are held as creditors or debtors in the balance sheet.

Care and tenancy support is recognised on delivery of supported services in line with contracts for those services, mostly with local authorities.

Sales of holiday accommodation at Nutley Edge and of supported activity breaks to Nutley Edge are recognised at the time the accommodation is occupied or the service is delivered.

Income from government and other revenue grants, is recognised when Outward has entitlement to the funds, any performance conditions attached to the grants have been met within any time bound conditions, that is the supply of stipulated services or the agreed achievement of specified outcomes, it is probable that the income will be received and the amount to be recognised can be measured reliably. Capital grant income is similarly recognised when specified goods or projects have been purchased.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

#### **e) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when Outward has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised. The Trustees' annual report provides more information about volunteer contributions.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to Outward which is the amount Outward would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### **f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by Outward; this is normally upon notification of the interest paid or payable by the deposit taker.

#### **g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

#### **h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by Outward in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering care, support and intensive housing management services undertaken to further the purposes of Outward and their associated overhead costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### **i) Allocation of overhead costs**

Overhead costs, as disclosed at note 6 to these accounts, align internal cost definitions with the term 'support costs' as defined in FRS 102. The change of description is also made to avoid confusion with 'care & support', a key income stream for Outward.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of central functions, is apportioned based on an estimate of the staff time attributable to each activity.

Overhead and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on demand for those overhead services:

- Human Resources                      - Headcount
- All other overhead services      - Activity income
- Governance                              - Activity income

Governance costs are the costs associated with the governance arrangements of Outward, covering constitutional and statutory requirements and include any costs associated with the strategic management of Outward's activities.

#### **j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

#### **k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued to market value, any excess between the revalued amount and the historic cost of the asset is recognised within the revaluation reserve on the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold office buildings at valuation      50 years
- Furniture and equipment at cost              5 years
- Motor vehicles at cost                          5 years

#### **l) Investment properties**

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is



recognised in the statement of financial activities. The valuation method used to determine fair value is stated in the notes to the accounts.

**m) Investments in subsidiaries**

Investments in subsidiaries are at cost.

**n) Debtors**

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

**o) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of people we support.

**p) Creditors and provisions**

Creditors and provisions are recognised where Outward has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Outward 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 amortised cost.

**q) Pensions**

Outward operates a pension scheme through Scottish Widows, closed to new members and the 'auto enrolment' pension scheme through The Pensions Trust. Employer contributions are charged to resources expended as incurred. Both schemes are defined contribution plans and are post-employment benefit plans under which Outward paid fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are shown as an operating expense in the surplus for the year during which the services are rendered by employees.

Outward also recognises liabilities for a number of the former employees of Tower Hamlets Consortium Limited (dissolved), who are or were employed by Outward and are deferred or pensioner members of a multi-employer Social Housing defined benefit pension plan. The difference between the fair value of the assets held and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in Outward's balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that Outward is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

**r) Holiday pay accrual**

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

**s) Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, key judgements have been made in respect of the following:

- The major sources of income generation are from care and support under a wide variety of contract types, durations and service specifications, funded primarily by local authorities. Local authorities mostly make payment on their own records, rather than Outward's invoicing. Judgement is applied as to income recognition, using a wide range of evidence such as contracts, negotiated uplifts, purchase order and support plans approved by local authority brokerage teams. Recoverability is assessed on a contract by contract or invoice by invoice basis. At 31 March 2024, doubts over recoverability informed a doubtful debt provision of £144,188.
- Service charges are set each year in advance as a variable service charge, that is for 2023-24 charges were collected on account. At the balance sheet date, an estimate of over and under collections was made by property and taken to the balance sheet as debtors or creditors any finally determined under or over collection will be collected or refunded in 2025-26.
- Provision is made for the non-payment of rent and service charges on a formulaic basis based on the average number of weeks in arrears each tenancy is in arrears. At 31 March 2024 a provision of £71,752 was made.
- Staff costs represent 60% of total expenditure. Payroll and timesheet controls are in place over these costs. A further 13% of expense is represented by 'tariffs', that is, an agreed share of the rent payable to landlords.
- Potential claims against Outward are considered on a case by case basis and where necessary provision is made, however this is limited to an insurance excess of £15,000. Normal accounting accruals and prepayments are made where necessary and the overall risk of mis-statement is considered mitigated.
- Valuations of investment properties, received from the professional opinion of independent qualified surveyors, based on their view of property market conditions at 31 March 2024, giving overall increase in valuation of £121,636.
- The underlying assumptions in relation to the accounting estimate of the Social Housing Pension Scheme shortfall of projected assets against projected scheme liabilities and Outward's obligation to fund its share of the deficit, such as standard rates of inflation, mortality, discount rate and anticipated future salary increases, are provided primarily by The Pensions Trust. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual expense. At 31 March 2024, Outward has chosen to accept the assumptions provided, incurring an expense cost of £117,486).

**2. Income from donations and grants**

<b>Donors and grantors</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2024 Total</b>	<b>2023 Total</b>
	£	£	£	£
Restricted disclosed in note 20	12,911	64,389	<b>77,300</b>	23,460

### 3. Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Rent from tenants	3,724,406	-	3,724,406	3,310,433
Service charges from tenants	3,289,234	-	3,289,234	2,861,221
Sub-total for rent and service charges	7,013,640	-	7,013,640	6,171,654
London Borough of Enfield	1,413,515	-	1,413,515	1,298,617
London Borough of Hackney	3,565,528	-	3,565,528	3,181,396
London Borough of Haringey	461,030	-	461,030	387,316
London Borough of Islington	606,796	-	606,796	619,898
London Borough of Newham	543,998	-	543,998	523,974
London Borough of Redbridge	181,215	-	181,215	187,540
London Borough of Tower Hamlets	1,851,543	-	1,851,543	1,616,484
London Borough of Waltham Forest	3,486,177	-	3,486,177	3,308,736
City of London	28,860	-	28,860	24,516
Activity breaks and other	234,345	-	234,345	170,244
Sub-total for care and tenancy support contracts	12,373,007	-	12,373,007	11,318,721
Total income from charitable activities	19,386,647	-	19,386,647	17,490,375

2022-23: Restricted income £nil.

### 4. Income from trading activities

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Nutley Edge accommodation	240,543	-	240,543	222,864
Private rent	46,239	-	46,239	53,800
	286,872	-	286,872	276,664

2022-23: Restricted income £nil.

### 5. Income from investments

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Interest received	196,018	-	196,018	92,598
	196,018	-	196,018	92,598

2022-23: Restricted income £nil.

## 6. Analysis of expenditure

	Cost of raising funds £	Charitable activities			Restricted £	Trading £	Governance costs £	Overhead costs £	2024 Total £
		Rent £	Service charges £	Care & tenancy support £					
Staff costs (Note 8)	37,028	538,435	-	10,159,051	35,748	104,732	19,408	955,756	11,850,158
Office rents	-	35,159	-	119,852	-	-	-	53,486	208,497
Service chargeable costs	-	-	3,044,327	-	-	-	-	-	3,044,327
Tariff payments to landlords	-	2,639,832	-	-	-	-	-	-	2,639,832
Bad & doubtful debts	-	451	-	-	-	(2,225)	-	44,650	42,876
Other costs	613	386,891	-	422,633	3,241	172,534	1,898	842,446	1,830,256
	37,641	3,600,768	3,044,327	10,701,536	38,989	275,041	21,306	1,896,338	19,615,945
Overhead costs	4,042	349,488	241,234	1,282,331	-	19,243	-	(1,896,338)	-
Governance costs	45	4,344	3,673	12,911	-	332	(21,306)	-	-
<b>Total expenditure 2024</b>	<b>41,728</b>	<b>3,954,600</b>	<b>3,289,234</b>	<b>11,996,778</b>	<b>38,989</b>	<b>294,616</b>	<b>-</b>	<b>-</b>	<b>19,615,945</b>
Total expenditure 2023	5,736	3,470,539	2,861,231	11,158,970	14,956	284,340	-	-	

Of the total expenditure, £19,576,956 was unrestricted (2023: £17,780,815) and £38,989 was restricted (2023: £14,956).

	Cost of raising funds £	Charitable activities			Restricted £	Trading £	Governance costs £	Overhead costs £	2023 Total £
		Rent £	Service charges £	Care & tenancy support £					
Staff costs (Note 8)	5,094	448,520	-	9,575,946	3,199	98,943	19,298	904,991	11,055,991
Office rents	-	34,686	-	101,541	-	-	-	47,922	184,149
Service chargeable costs	-	-	2,645,893	-	-	-	-	-	2,645,893
Tariff payments to landlords	-	2,413,116	-	-	-	-	-	-	2,413,116
Bad & doubtful debts	-	(45,260)	-	-	-	16,625	-	3,918	(24,716)
Other costs	123	304,933	-	418,562	11,756	150,576	2,871	632,517	1,521,338
	5,216	3,155,996	2,645,893	10,096,049	14,956	266,144	22,169	1,589,348	17,795,771
Overhead costs	513	310,216	211,710	1,049,079	-	17,830	-	(1,549,348)	-
Governance costs	7	4,327	3,628	13,842	-	365	(22,169)	-	-
Total expenditure 2023	5,736	3,470,539	2,861,231	11,158,970	14,956	284,339	-	-	17,795,771

Of the total expenditure, £117,780,815 was unrestricted and £14,956 was restricted.

**Overhead costs comprise:**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Central costs	<b>717,770</b>	471,915
Human resources & learning	<b>292,940</b>	344,297
Business development	<b>80,452</b>	61,205
Quality & business support	<b>114,276</b>	111,974
Customer engagement	<b>86,351</b>	72,443
Directorate costs	<b>127,780</b>	147,421
Finance & IT costs	<b>425,193</b>	349,313
Co-Production	<b>51,576</b>	30,780
	<b>1,896,338</b>	1,589,348

**7. Net income before gains and losses for the year**

This is stated after charging / (crediting):

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Financial services bought in	<b>210,299</b>	200,285
IT Support bought in	<b>119,140</b>	108,120
Operating lease rentals	<b>37,744</b>	37,416
Depreciation	<b>73,844</b>	68,132
Provision for doubtful debts and rent arrears	<b>42,876</b>	(24,716)
Auditor's remuneration (excluding VAT):	<b>16,650</b>	14,550
Auditor's other services (excluding VAT):	<b>1,050</b>	554

**8. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Salaries and wages	<b>10,472,377</b>	9,611,628
Redundancy and termination costs	<b>36,863</b>	27,738
Social security costs	<b>879,214</b>	959,219
Employer's contribution to defined contribution pension Schemes	<b>250,303</b>	250,659
Operating costs of defined benefit pension schemes	<b>31,742</b>	20,000
Agency workers	<b>179,658</b>	186,747
	<b>11,850,157</b>	11,055,991

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	<b>2024</b>	2023
	£	£
£60,000 - £69,999	<b>2</b>	-
£70,000 - £79,999	-	2
£80,000 - £89,999	-	-
£90,000 - £99,999	-	1
£100,000 - £109,999	<b>1</b>	-

Trustees consider those staff with material delegations of authority available to them to conduct operational activities as key management personnel. The total employee benefits, including pension contributions of the key management personnel, comprising the Chief Executive and the executive team, were £316,623 (2023: £310,747). Within employee benefits, employers pension contributions of £16,976 were paid on behalf of four key management personnel (2023: £15,886 and four) into defined contribution schemes, including the 'auto enrolment' scheme.

The Trustees were not paid or received any other benefits, nor claimed any expenses from employment with Outward in the year or prior year.

## 9. Staff numbers

The average number of employees working in each activity (head count based on number of staff employed) during the year was as follows:

	<b>2024</b>	2023
	No.	No.
Fundraising	<b>1</b>	-
Rent	<b>13</b>	14
Service charges	<b>1</b>	1
Care and tenancy support	<b>320</b>	318
Support and trading activities	<b>17</b>	17
Governance	<b>1</b>	1
Total	<b>353</b>	351

### Staff numbers full time equivalent

Full time equivalent is based on a 38 hours working week. Staff teams comprise employees on both full time and part time contracts, staff who wish to work flexibly and, where necessary, agency workers. Staff may also work additional hours regardless of their contract status.

Including all contracted hours, additional hours worked by staff and hours worked by third party agency workers the average number of full time equivalent resources is 378 (2023: 367).

During the year charitable activities were supported by 2,650 hours of volunteer time (2023: 3,500 hours). A fuller description of the role played by volunteers is included within the Trustees' report.

## 10. Taxation

Outward Housing is exempt from corporation tax as the majority of its income is charitable and is applied for charitable purposes.

	2024 £	2023 £
UK corporation tax for the year	-	-
The tax for the year differs to the standard rate of corporation tax applied to profits before tax. The differences are explained below:		
Surplus for the year before tax	<b>341,033</b>	103,381
UK Corporation tax at 19% (2023:19%)	<b>64,796</b>	19,642
(Loss) on non-primary purpose trading activities	<b>(6,668)</b>	(5,521)
Otherwise exempt charitable income	<b>(58,128)</b>	(14,121)
Current tax charge for the period	-	-

## 11. Tangible fixed assets

	Freehold property £ (at valuation)	Furniture and equipment £ (at cost)	Motor vehicles £ (at cost)	Total £
Cost or valuation				
At the start of the year	399,009	1,509,064	40,947	<b>1,949,020</b>
Additions in year	-	83,196	54,319	<b>137,515</b>
Disposals in year	-	-	(7,200)	(7,200)
Revaluation	5,991	-	-	<b>5,991</b>
At the end of the year	405,000	1,592,260	88,067	<b>2,085,326</b>
Depreciation				
At the start of the year	-	1,395,738	20,699	<b>1,416,437</b>
Charge for the year	-	56,271	17,613	<b>73,884</b>
Disposals in year	-	-	(7,200)	(7,200)
Revaluation	-	-	-	-
At the end of the year	-	1,452,009	31,112	<b>1483,121</b>
Net book value at the end of the year	405,000	140,251	56,954	<b>602,205</b>
At the start of the year	399,008	113,326	20,248	532,582

The freehold property at 179 Wood St, London E17 comprises offices on the ground floor with accommodation above.



The ground floor offices were valued at £405,000 as part of a composite building on an open market basis, as at 31 March 2024 in a letter dated 13 March 2024 by an external firm Strettons Ltd. Strettons are RICS accredited valuers and undertook the valuation in accordance with the RICS Valuation – Global Standards, incorporating the International Valuation Standards (IVS) 2022. The services of Strettons were procured in accordance with the Charity's procurement procedures and the Trustees are satisfied of the independence of Strettons. The valuation was prepared on the basis of market conditions and evidence as at 31 March 2024.

The historical cost of the freehold property purchased in 1994/95 is £110,310, including non-depreciable land carried at £19,704. Net of depreciation based on a 50 years life, the historic net book value would be £55,946.

All of the above assets are used for charitable purposes.

## 12. Investment properties

	2024 £	2023 £
Fair value at the start of the year	<b>3,250,000</b>	3,100,000
Additions	<b>3,364</b>	-
Loss on revaluation during the year	<b>(12,500)</b>	-
Gain on revaluation during the year	<b>121,636</b>	150,000
Fair value at the end of the year	<b>3,362,500</b>	3,250,000

The fair value at the end of the year comprises three properties.

A leasehold property at Cedar Court, 267 Hainault Rd, London E11 was valued at £337,500, on an open market basis, as at 31 March 2024 in a letter dated 13 March 2024 by an external firm Strettons Ltd. Strettons are RICS accredited valuers and undertook in accordance with the RICS Valuation – Global Standards, incorporating the International Valuation Standards (IVS) 2022. The services of Strettons were procured in accordance with the Outward's procurement procedures and the Trustees are satisfied of the independence of Strettons. The valuation has been prepared on the basis of market conditions and evidence as at 31 March 2024.

The property was purchased in 2002 from a long lease of 999 years with 939 years now remaining. The historical cost of the leasehold property, including additions, is £168,274. Based on an expected life of 80 years accumulated depreciation would have been £48,378 giving a historic carrying value of £119,896.

A freehold holiday accommodation, at Nutley Edge in East Sussex was valued as at 31 March 2024 at £2,350,000, on an open market basis, as set out in a side letter dated 19 April 2024 by an external firm Avison Young (UK) Ltd, Leisure Division. Avison Young are RICS accredited valuers and undertook the valuation in accordance with the RICS Valuation – Global Standards, incorporating the International Valuation Standards (IVS) 2022. The services of Avison Young were procured in accordance with the Outward's procurement procedures and the Trustees are satisfied of the independence of Avison Young.

The property, purchased in 2012, was valued as a specialised property used for leisure purposes and the method of valuation gave weighting to stabilised earnings, based on historic turnover and potential future turnover, at a capitalisation rate of 9% and to comparable local sales and properties offered for sale, in particular holiday complexes. The valuation has been prepared on the basis of market conditions and evidence as at 31 March 2024. It was assumed the property has good title and is free from onerous or restrictive covenants and obligations, restrictions and statutory notices.

The historical cost of the Nutley Edge freehold property, including additions, is £1,908,248 including land valued at £92,390. Based on an expected life of 50 years accumulated depreciation would have been £496,144 giving a historic carrying value of £1,412,104.

The two flats above the freehold office at 179 Wood St London E17 were valued at £700,000 on an open market basis with an assumed rental yield of 6.5%, as at 31 March 2024, in a letter dated 13 March 2024 by an external firm Strettons Ltd. Strettons are RICS accredited valuers and undertook the valuation in accordance with the RICS Valuation – Global-Standards, incorporating the International Valuation Standards (IVS) 2022. The services of Strettons were procured in accordance with Outward's procurement procedures and the Trustees are satisfied of the independence of Strettons.

The historical cost of the upper floors at Wood St, purchased in 1994/95 is £293,762, including non-depreciable land carried at £34,005. Net of depreciation based on a 50 years life, the historic net book value would be £137,938.

### 13. Investments

	2024 £	2023 £
Cost at the start and end of the year	<u>1,070</u>	1,070

Investments comprise 2 x £10 ordinary shares representing a 16.7% holding in Cedar Court Property Ltd, a company incorporated in England registered company number 05345500, registered address 1 Cedar Court, 267 Hainault Rd, London E11 1ET.

### 14. Debtors

	2024 £	2024 £	2023 £	2023 £
Gross arrears of rent and service charges	579,349		495,759	
Less: Provision for doubtful arrears	<u>(71,752)</u>		<u>(106,954)</u>	
Net arrears of rent and service charges		507,597		388,805
Gross trade debtors	676,611		575,409	
Less: Provision for doubtful debt	<u>(144,188)</u>		<u>(99,538)</u>	
Net trade debtors		532,423		475,871
Prepayments		24,920		91,688
Accrued income		116,750		115,362
Amounts owed by group undertakings		33,975		-
Other debtors		852,748		890,646
		<u>2,068,413</u>		<u>1,962,372</u>

**15. Creditors: amounts falling due within one year**

	2024 £	2023 £
Trade creditors	292,438	110,745
Rent in advance	560,962	558,353
Taxation & social security	223,274	-
Other creditors	450,260	585,256
Amounts owed to Group undertakings	-	151,898
Accrued expenditure	1,004,208	612,167
Deferred income	79,668	106,169
	<b>2,610,810</b>	<b>2,124,588</b>

**16. Deferred income**

	2024 £	2023 £
Balance at the beginning of the year	106,169	105,214
Amount released to income in the year	(84,349)	(97,405)
Amount deferred in the year	57,848	98,360
Balance at the end of the year	<b>79,668</b>	<b>106,169</b>

**17. Creditors: amounts falling due after one year**

	2024 £	2023 £
Service charges refundable	271,673	271,607
	<b>271,673</b>	<b>271,607</b>

**18. Pension schemes**

Outward participates in the multi-employer Social Housing Pension Scheme and also operated a defined contribution scheme, now closed to new entrants, where employer contributions matched those of the employee and were progressively in the range of 5% to 7%.

Those staff who are not otherwise members of a pension scheme or have opted out are enrolled automatically into a defined contribution scheme also offered by the Social Housing pension scheme. Employer and employee contributions were set at 3% and 5% respectively. From 1 June 2023 Outward introduced a pension salary sacrifice scheme where the contributions for employer

and employee were set at 8% and nil% respectively for staff participating in the scheme.

### Multi-employer Social Housing Pension Scheme (the scheme)

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

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive. The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

Under the deficit repayment plan in place to March 2028 Outward is required to pay £132,388 towards the deficit in 2024-25.

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

	31 March 2024	31 March 2023
	(£'000)	(£'000)
Fair value of plan assets	2,572	2,552
Present value of defined benefit obligation	3,175	3,137
(Deficit) in plan	(603)	(585)
Defined benefit (liability) to be recognised	(603)	(585)

**Reconciliation of the opening and closing balances of the defined benefit obligation**

	Period ended 31 March 2024 (£'000)	Period ended 31 March 2023 (£'000)
Defined benefit obligation at start of period	3,137	4,263
Expenses	6	6
Interest expense	152	118
Actuarial (gains)/losses due to scheme experience	(22)	107
Actuarial (gains) due to changes in demographic assumptions	(32)	(7)
Actuarial (gains) due to changes financial assumptions	(9)	(1,294)
Benefits paid and expenses	(57)	(56)
Defined benefit obligation at end of period	3,175	3,137

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

	Period ended 31 March 2024 (£'000)	Period ended 31 March 2023 (£'000)
Fair value of plan assets at start of period	2,552	3,713
Interest income	126	104
Experience on plan assets (excluding amounts included in interest income) - (loss)	(180)	(1,334)
Employer contributions	131	125
Benefits paid and expenses	(57)	(56)
Fair value of plan assets at end of period	2,572	2,552

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£54,000).

**Defined benefit costs recognised in statement of financial activities total expenditure**

	Period ended 31 March 2024 (£'000)	Period ended 31 March 2023 (£'000)
Expenses	6	6
Net interest expense	26	16
Defined benefit costs recognised in statement of financial activities	32	22

### Defined benefit costs recognised in statement of financial activities other recognised gains and losses

	Period ended 31 March 2024 (£'000)	Period ended 31 March 2023 (£'000)
Experience on plan assets (excluding amounts included in net interest cost) - (loss)	<b>(180)</b>	(1,334)
Experience gains and losses arising on the plan liabilities gain/ (loss)	<b>22</b>	(107)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation- gain (key assumptions listed on page 45 to these statements)	<b>32</b>	7
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation- gain.	<b>9</b>	1,294
Total amount recognised in statement of financial activities other recognised gains and losses – (loss)	<b>(117)</b>	(140)

## Assets

	31 March 2024	31 March 2023
	(£'000)	(£'000)
Global equity	256	48
Absolute return	100	28
Distressed opportunities	91	77
Credit relative value	84	96
Alternative risk premia	82	5
Emerging markets debt	33	14
Risk sharing	151	188
Insurance-linked securities	13	64
Property	103	110
Infrastructure	260	291
Private equity	2	-
Private debt	101	114
Opportunistic illiquid credit	101	109
High yield	-	9
Long lease property	17	77
Secured income	77	117
Cash	51	18
Liability driven investment	1,047	1,175
Currency hedging	(1)	5
Net current assets	4	7
<b>Total assets</b>	<b>2,572</b>	<b>2,552</b>

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

## Key Assumptions

	31 March 2024	31 March 2023
	% per annum	% per annum
Discount rate	4.90	4.87
Inflation (RPI)	3.15	3.19
Inflation (CPI)	2.78	2.75
Salary growth	3.78	3.75
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	2024	2023
	Life expectancy at age 65	Life expectancy at age 65
	(Years)	(Years)
Male retiring in 2024	20.5	21.0
Female retiring in 2024	23.0	23.4
Male retiring in 2044	21.8	22.2
Female retiring in 2044	24.4	24.9



## Contingent disclosure

Outward were notified in 2021 by the Trustee of the Scheme that it had performed a review of the changes made to the Scheme's benefits over the years, and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing, with it being unlikely to be resolved before the mid-2025 at the earliest. It is estimated that this could potentially increase the value of the full scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the scheme's technical provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

## Scottish Widows defined contribution scheme

During the year, employer contributions of £3,653 (2023: £10,012) were charged to income and expenditure, and at 31 March 2024 3 staff (2023: 3 staff) were in the scheme.

## Social Housing Pension Scheme defined contribution (auto-enrolment)

During the year employer contributions of £246,649 (2023: £240,647) were charged to income and expenditure and at 31 March 2024 346 staff (2023: 304 staff) were in the scheme.

Reported staff costs also include death-in-service benefit for all staff. The employer's premium was £32,385 (2023: £32,727).

## 19. Analysis of net assets between funds

				2024	2023
	Unrestricted	Designated	Restricted	Total funds	
	£	£	£	£	£
Tangible fixed assets	602,205	-	-	602,205	532,582
Investment properties	3,362,500	-	-	3,362,500	3,250,000
Investments	1,070	-	-	1,070	1,070
Net current assets	5,624,858	-	-	5,624,858	5,447,880
Long term liabilities	(271,673)	-	-	(271,673)	(271,607)
Defined benefit pension liability	(603,000)	-	-	(603,000)	(585,000)
Net assets at the end of the year	8,715,960	-	-	8,715,960	8,374,925

2022-23: Designated and restricted net assets £nil.

## 20. Movements in funds

	1 April 2023	Incoming resources and gains	Outgoing resources and losses	Transfers	31 March 2024
Restricted funds:	-	£	£	£	
Nationwide Building Society	-	34,444	(34,444)	-	-
Charitable Trust (name withheld)	-	1,905	(1,905)	-	-
Green Hall Foundation	-	4,000	-	-	4,000
Forbes Charitable Foundation	-	3,000	-	-	3,000
Beatrice Laing Trust	-	3,000	-	-	3,000
Bruce Wake Charitable Trust	-	3,000	-	-	3,000
Percy Bilton Charity	-	6,400	-	-	6,400
The Hobson Charity	-	5,000	-	-	5,000
Age UK	-	540	(540)	-	-
London Borough of Enfield	-	100	(100)	-	-
Private donation	-	1,000	-	-	1,000
Trade suppliers to Outward	-	2,000	(2,000)	-	-
General funds	-	-	-	(25,400)	(25,400)
Total restricted funds	-	64,389	(38,989)	(25,400)	-
Unrestricted funds:					
Designated funds	-	-	-	-	-
Revaluation reserve	1,065,605	127,627	-	-	1,193,232
Pension reserve	585,000	-	18,000	-	603,000
General funds	6,724,320	19,882,449	(19,712,442)	25,400	6,919,727
Total unrestricted funds	8,374,925	20,010,076	(19,694,442)	25,400	8,715,959

### Purpose of restricted funds

Nationwide Building Society – A cost of living advice project, Charitable Trust (name withheld) – for a nutrition project in progress, London Borough of Enfield towards a jubilee celebration, Age UK and trade suppliers: Quality Fire Service Management, Smarter Services, Sygma Security, Springtime Solutions, Chameleon Systems, Marshwell Carpets and GK Locksmiths to support celebration events in our older peoples' schemes. Other restricted funds received were for the purchase, in October 2023, of a minibus to support our activity breaks service.

### Purposes of designated funds

Funds will, as a minimum, be designated in line with firm contractual commitments in furtherance of charitable objectives.

**21. Reconciliation of net income to net cash flows from operating activities**

	<b>2024</b> £	2023 £
Net income for the reporting period (as per the statement financial activities)	<b>452,530</b>	237,326
Depreciation charges	<b>73,884</b>	68,132
(Gains) on investment properties	<b>(121,636)</b>	(150,000)
Losses on investment properties	<b>12,500</b>	-
Actuarial losses on defined benefit pension schemes	<b>(117,486)</b>	(133,944)
Dividends, interest and rent from investments	<b>(196,018)</b>	(92,598)
Profit on disposal of fixed assets	<b>800</b>	-
(Increase)/decrease in debtors	<b>(106,040)</b>	290,263
Increase/(decrease) in creditors	<b>486,287</b>	(944,674)
Increase in pension liability	<b>18,000</b>	35,000
	<hr/>	<hr/>
Net cash flow from / (used by) operating activities	<b>502,819</b>	(690,496)

**22. Analysis of cash and cash equivalents**

	At 1 April 2023 £	Cash flows £	Other changes £	At 31 March 2024 £
Cash at bank and in hand	4,610,096	557,159	-	<b>5,167,255</b>
Notice deposit (less than three months)	1,000,000	-	-	<b>1,000,000</b>
	<hr/>	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents	<b>5,610,096</b>	<b>557,159</b>	<b>-</b>	<b>6,167,255</b>

Outward has no debt or debt facilities or arrangements in place.

**23. Operating lease commitments****Amounts payable as lessee:**

Outward's total future minimum lease payments under non-cancellable operating property leases is as follows for each of the following periods:

	<b>2024</b> £	2023 £
Less than one year	<b>38,079</b>	37,744
One to five years	<b>155,802</b>	154,394
Over five years	<b>100,303</b>	139,790
	<hr/>	<hr/>
	<b>294,184</b>	331,928

**Amounts receivable as lessor:**

The Charity's total future minimum lease receipts under non-cancellable operating leases is as follows for each of the following periods:

	Property 2024 £	2023 £
Less than one year	<b><u>3,902,848</u></b>	<u>3,654,783</u>
	<b>3,902,848</b>	3,654,783

**24. Financial Instruments**

Outward's financial instruments may be analysed as follows:

	2024 £	2023 £
Financial assets measured at historical cost:		
Trade debtors and rent arrears	<b>1,040,019</b>	864,675
Prepayments and accrued income	<b>141,670</b>	207,050
Other debtors	<b>886,723</b>	890,647
Cash and cash equivalents	<b>6,167,254</b>	5,610,096
	<b><u>8,235,667</u></b>	<u>7,572,468</u>
	2024 £	2023 £
Financial liabilities measured at historical cost:		
Trade creditors and rent in advance	<b>853,399</b>	669,098
Deferred income	<b>79,668</b>	106,169
Other creditors	<b>2,552,415</b>	2,205,928
	<b><u>3,485,482</u></b>	<u>2,981,195</u>

**25. Legal status of the Charity**

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**26. Related party transactions**

	2024 £	2023 £
Payments made to the parent Newlon Housing Trust:		
Landlord rent tariff	<b>2,459,750</b>	2,295,636
Financial, IT and executive services	<b>450,769</b>	424,053
Management fees recoverable from service charges	<b>95,000</b>	92,203
Rent of office space at Hale Village including service charges	<b>105,481</b>	99,108
	<b><u>3,111,000</u></b>	<u>2,911,000</u>

Where otherwise applicable no VAT was charged on the above transactions as Newlon and Outward participate in the same VAT group. The Chief Executive of Outward is employed by Newlon and salary and employment on costs were recharged to Outward at cost. In addition Newlon Housing Trust procured a range of service contracts covering communal areas of both Newlon and Outward managed properties recharged to Outward at cost.

There were no transactions with any other member of the Newlon group (2023: £nil).

Debtors includes money due from Newlon Housing Trust of £33,975 (2023: creditor £151,898).

## **27. Ultimate parent entity**

The ultimate parent undertaking and controlling party is Newlon Housing Trust, a registered provider of social housing. Newlon Housing Trust is the parent undertaking of the smallest and largest group to consolidate these financial statements. Consolidated financial statements for Newlon Housing Trust are available from its registered office at Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE. Control is exercised by virtue of a 51% voting share available as part of reciprocal representation on the Boards of the two entities. Newlon Housing Trust authorises the proposed appointment and removal of Trustees from the Board of Outward Housing.