



Registered with charitable rules under the
Co-operative and Community Benefit Societies Act 2014
Registration number RS008973
Registered by the Regulator of Social Housing Ltd L4498

Futures Homeway Limited

Annual report and financial statements

Year ended 31 March 2026

Futures Homeway Limited
Year ended 31 March 2026

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Futures Homeway Limited
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Board members, advisors and bankers

Board		Appointed	Resigned
Chair	Pauline Davis	1 October 2024	
Vice Chair	Gary Middleton	1 October 2024	
Other Members	Timothy Slater	19 July 2017	19 July 2026
	Ciara McMillan	6 November 2018	2 April 2025
	Peter Burke	10 August 2020	10 August 2026
	Samantha Chalmers	8 December 2021	
	Laurice Ponting	1 March 2023	
	Pauline Davis	19 June 2023	
	Jackie Perry	19 June 2023	
	Timothy Mulvenna	15 July 2024	
	Gary Middleton	31 July 2024	
	Patrick Duffy	31 July 2024	
	John Stephen Jackson	27 January 2025	
	Ian Skipp	20 May 2025	
Company Secretary	Ian Skipp		
Registered office	Futures House Building 435, Argosy Road Castle Donington Derby DE74 2SA		
Registration numbers	Registered under the Co-operative and Community Benefit Society Act 2014; No: 8973 Regulator of Social Housing number: L4498		
External auditor	BDO LLP Two Snowhill Birmingham B4 6GA		
Principal Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES		

Futures Homeway Limited

Year ended 31 March 2026

Strategic report (continued)

The Board of Futures Homeway Limited ('the Association' or 'FHW') presents its report together with the audited financial statements for the year ended 31 March 2026.

Legal status

FHW is a not for profit organisation. It was incorporated 10 April 2006 as a company limited by guarantee and converted to a Community Benefit Society under the Co-operative and Community Benefit Societies Act 2014 on 8 November 2022. It is also registered with the Regulator of Social Housing (RSH) as a housing provider. The association was formed to take the transfer of 3,101 properties in November 2007 from Daventry District Council. It is a wholly owned subsidiary of Futures Housing Group Limited ('the Group' or FHG).

During the year, FHW's principal activities were the management and development of social housing. At 31 March 2026, FHW owned 3,490 housing properties (2025: 3,450) for social or affordable rent and shared ownership. 859 of these homes are supported housing (2025: 860), which include a visiting and lifeline service. It also manages 85 properties on behalf of others (2025: 85).

FHW operates primarily within the Daventry area and provides a range of neighbourhood and specialist services to customers including a repairs service, community lifeline and community support, housing and homeless agency and disabled adaptations.

Working in partnership allows the Group to provide the benefits and economies of scale and capacity that a large organisation brings, while allowing each company to retain a strong focus on local delivery.

Back office services are provided by FHG. These include finance, human resources, information technology and procurement. It also provides services in respect of strategic asset management and development.

Purpose

The Group's purpose is to create great places, provide quality services with great people and inspire better futures for customers and team members. Building on a proud history as a quality housing provider, the Group is on an exciting journey to revolutionise what it does and how it does it. It continues to be a key partner in the markets it serves. The most important part of that journey is putting customers at the heart of everything it does and by giving them effortless experiences delivered by agile and innovative team members who embrace change and new technology.

The Group uses smarter customer insight to constantly improve what it does, while seeking ways of being more efficient so better value for money can be delivered. At the same time as revamping services, teams are building on their strengths and expertise by ensuring the Group's culture and values are lived and breathed by every team member.

The Group has a corporate plan to develop new homes, ensuring existing homes are safe and secure for customers, supporting customers to maintain their tenancies and investing in sustainability measures.

Providing homes for people will always be the core purpose but the Group will also provide more to customers by giving them the chance to learn new skills and get new jobs through in house training and apprenticeship opportunities. FHG has strong financial foundations, talented and innovative teams, a clear plan for growth and a desire to go from being good to great.

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Strategic report (continued)

Employees

The strength of the Group lies in the quality and commitment of its employees. In particular our ability to meet objectives and commitments to customers efficiently and effectively depends on their contribution. The Group provides information on its objectives, progress and activities through regular briefings and team meetings. The Group is committed to equal opportunities for all its employees.

Customer involvement

The Group actively encourages customer involvement in decision-making by promoting more formal engagement mechanisms. The Boards of the principal operating companies within Futures Housing Group Limited have established effective reporting arrangements between customers' representative bodies and the Boards including the Insight Committee.

Delivery of the objectives is underpinned by a number of strategies and actions, which are detailed in the Value for Money (VFM) report in the Futures Housing Group consolidated financial statement.

Futures Homeway Limited

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Strategic report (continued)

Financial performance

The table below summarises the financial performance over the past five years.

	31-Mar 2026 (£'000)	31-Mar 2025 (£'000)	31-Mar 2024 (£'000)	31-Mar 2023 (£'000)	31-Mar 2022 (£'000)
Statement of comprehensive income					
Total turnover	25,135	23,100	20,391	20,600	20,638
Operating expenditure	(18,468)	(16,593)	(14,717)	(15,755)	(14,976)
Revaluation (loss)/gain	(210)	(700)	(510)	(147)	295
Surplus on sale of housing properties and other fixed assets	749	159	201	605	401
Operating surplus	7,206	5,966	5,365	5,303	6,358
Operating profit percentage	29%	26%	26%	26%	31%
Surplus for the year transferred to reserves	3,207	3,359	2,978	3,415	4,165
	31-Mar 2026 (£'000)	31-Mar 2025 (£'000)	31-Mar 2024 (£'000)	31-Mar 2023 (£'000)	31-Mar 2022 (£'000)
Statement of financial position					
Fixed assets	153,926	127,268	109,718	100,441	95,902
Net current assets	26,572	18,243	29,712	36,033	48,259
Total assets less current liabilities	180,498	145,511	139,430	136,474	144,161
Creditors (due over one year)	(156,262)	(124,482)	(121,760)	(121,782)	(131,199)
Pension liability	-	-	-	-	(1,685)
Revenue reserve	24,236	21,029	17,670	14,692	11,277

Further information on Group-wide financial performance, along with non-financial key performance indicators, can be found in the Group financial statements which are available on Futures Housing Group's website.

Value for money (VFM)

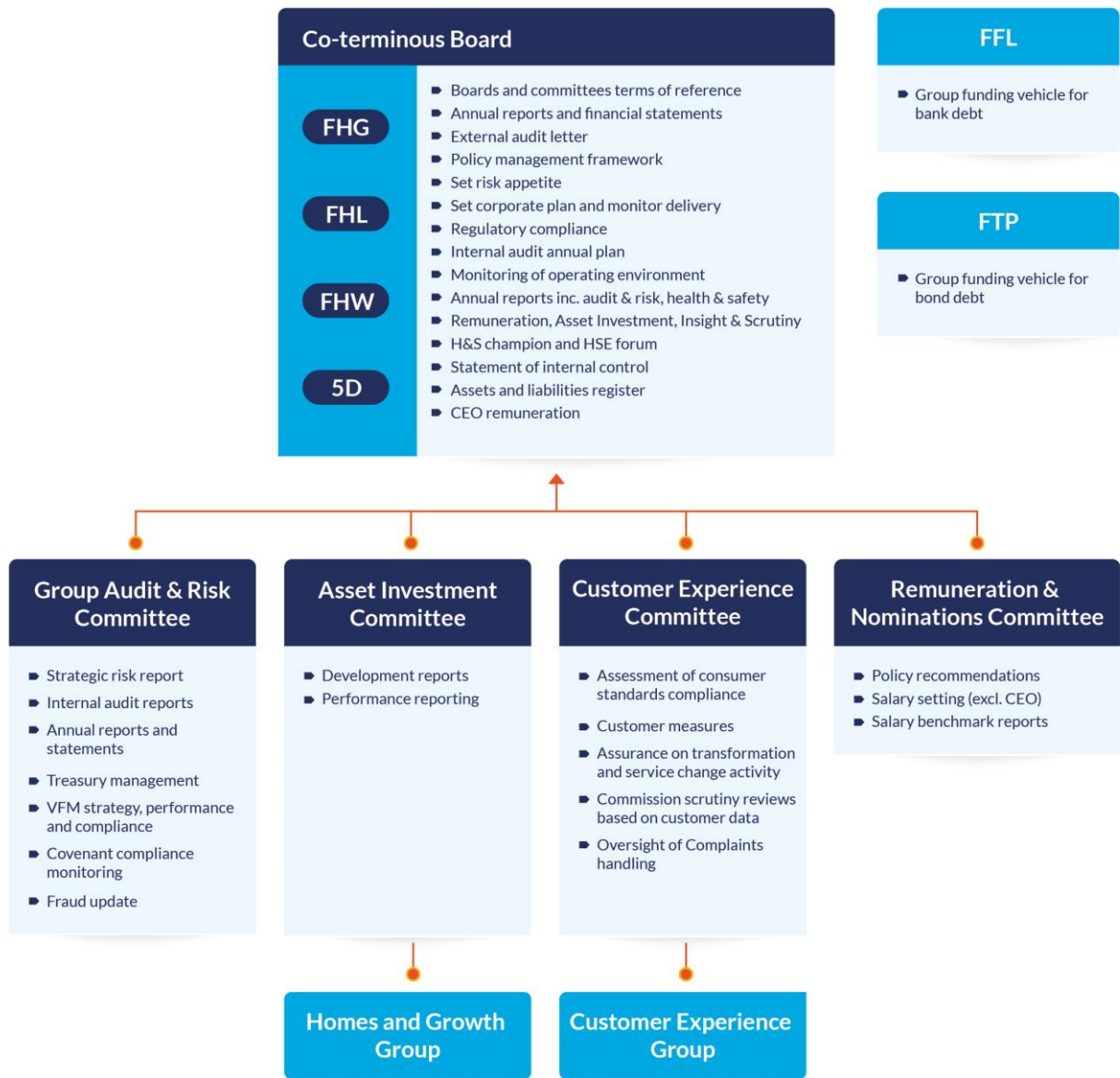
The purpose of this statement is to evidence how the board continues to embed the Regulator of Social Housing's VFM standard (*Value for Money Standard - April 2018* and *Value for Money Code of Practice - April 2018*) within FHG. Please refer to the Group's financial statements for the full VFM statement that reports on historical performance against targets and forward-looking targets and activities.

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Strategic report (continued)

Governance

The Group has a Co-terminous Board, consisting of the boards of FHL, FHW, FHG and 5D. The diagram below shows the governance structure and assurance map.



In addition there are a variety of other Governance groups that meet regularly and feed into the Board.

Futures Homeway Limited

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Strategic report (continued)

External environment

Regulator of Social Housing

The RSH is a Government body set up to regulate registered providers of social housing to promote a viable, efficient and well governed social housing sector able to deliver homes that meet a range of needs.

The four Consumer Standards came into force in April 2024 to ensure customers receive quality services and are treated fairly. A significant amount of work has been undertaken to ensure FHG is compliant with all of these requirements including ensuring homes are well maintained, communicating effectively with customers and allowing customers to influence decision making and ensuring fair tenancy management. Publication of the Tenant Satisfaction Measures has begun and the results are detailed within the consolidated group accounts.

Currently all homes are at Decent Homes Plus standard and FHG is awaiting details for updates expected for the new Safety & Quality standard.

Regulatory Framework

The regulatory framework for social housing is made up of regulatory standards that are classified as either economic or consumer. In addition, there are codes of practice that registered providers need to comply with.

The Group continues to operate to the highest standards, and its Boards can demonstrate that they manage the Group under the principles of co-regulation underpinned by a robust governance framework. The Group has continued to maintain the highest G1/V1 regulatory rating.

Government legislation

In the 2025 budget, the government confirmed a new long-term rent settlement policy allowing housing associations to increase social rents by CPI+1% for ten years. This improves the long-term income certainty for the sector, which increases investor confidence and strengthens borrowing capacity to aid the Government's commitment to building 1.5m new homes over the current Parliament.

To further assist home building, a new £39bn Social and Affordable Homes Programme was announced and FHW has applied for grant funding under this scheme.

The first phase of Awaab's Law went live in October 2025 which sets strict timelines within which emergency hazards have been addressed. FHW has been complying with this phase without material impact as many of the hazards were already treated as emergencies by FHW. Preparations for the next phase are underway, which is likely to be in October 2026.

The Minimum Energy Efficiency Standards (MEES) forms part of the FHG's updated sustainability policy and the focus is on stronger thermal efficiency standards and changes to how the EPC of a home is calculated. For 2026-27, FHW is focussing on completing EPC surveys of all homes to ensure the correct capital allocation is set aside to comply with all homes being EPC C by 2030.

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Strategic report (continued)

Other health and safety

The Group has a comprehensive framework to ensure compliance with statutory responsibilities for fire safety, gas safety, lift safety, legionella, asbestos and electrical safety, whether stock is owned, managed or leased. The Board oversees the health and safety compliance, as well as this being reviewed by the Health and Safety forum and Homes & Growth group.

Future Buildings Standard

This new legislation standards have been published with a key focus on low carbon heating, enhanced insulation, lighting and heat recovery and solar PV as standard. FHG will work towards all legislative standards and for a number of years, all homes have been built to at least EPC B standard, with some schemes meeting EPC A.

ESG (environmental, social, governance)

The Group complied with the Streamlined Energy and Carbon Reporting (SECR) regulations, which is reported in these accounts. As well as complying with the SECR regulations, the Group has adopted the Sustainability Reporting Standard for Social Housing.

Rent policy

The government rent formula has been applied from 1 April 2026. Under the regulations rents are permitted to increase by CPI plus 1%. FHG also applies the permitted rent tolerance to the calculation of social rents, being 5% for social rents and 10% for supported housing. This tolerance supports numerous initiatives including money advice, employment and training, digital services, lifelines, tenancy sustainment support services and increased housebuilding.

Any customers who were not already at full target rent plus tolerance, had their rents increased in line with the rent guidelines. A review of affordability to our customers is undertaken each year before any rent increases are proposed to Board.

The Group continues to help customers with a focus on debt prevention and has had low levels of rent arrears by working closely with affected customers before they get into financial difficulties to help them maintain their tenancies.

Risk and Uncertainties

The main risks that may prevent the Group achieving its objectives are considered and reviewed annually by the Board as part of the corporate planning process. They are also monitored during the year by the Audit & Risk Committee. The risks are assessed in terms of their impact and probability. Major risks, presenting the greatest threats to the Group, are included in a strategic risk map, while other risks are included in operational based risk maps. The Group's approach is not intended to eliminate risk but to identify, prioritise and manage key risks to support corporate objectives.

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Strategic report (continued)

As at 31 March 2026, the strategic risks monitored by Board are:

- | | |
|--|---|
| 1. Governance of information | 7. Governance & regulatory compliance |
| 2. Economic climate | 8. Health and safety in the workplace |
| 3. Government policy | 9. Development |
| 4. Recruitment & retention | 10. Housing Health & Safety Rating System |
| 5. Cyber threat | 11. Consumer Standards compliance |
| 6. Major incidents (business continuity) | |

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Strategic report (continued)

Strategic risks

The strategic risks are outlined in the following table.

Risk	Current controls and sources of assurance
1. Governance of information	<u>First Line of Defence – Operational Management</u> ▪ Lead Data Protection Officer in situ to ensure the continued compliance of General Data Protection Regulation (GDPR) across the Group and an Information and Security Manager to lead in the development of appropriate information and security data management. ▪ All staff receive mandatory GDPR awareness training as part of their induction and every two years during their employment. ▪ Data Protection Impact Assessments (DPIA) are carried out for all systems and processes with high privacy risks. ▪ Data Architect role in situ who is responsible for the delivery of the Knowledge and Information Management strategy with support from a Data Consultant. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ GDPR risk and progress updates are reported quarterly to the Knowledge and Information Management (KIM) group. ▪ DPIA and Data Breach Risk Assessment documents up to date. ▪ Tenancy & Satisfaction Measures data submitted to RSH and published on FHG website. ▪ Rent Comparison report reviewed and approved by GARC in July 2025 as part of data validation exercise for the RSH statistical data return. ▪ Data quality classification framework in place to assess and score the quality of data for prioritisation purposes. ▪ The following policies have been reviewed and updated to align with the KIM Strategy: Business Continuity, Complaints, Equality, Information Security & Safeguarding. <u>Third line of Defence – External Assurance</u> ▪ The Group works with external solicitors and advisors who provide legal advice and support. ▪ Data Protection internal audit (2022-23) rated 'significant assurance with minor improvements. ▪ Data Correction report provided to Audit and Risk Committee (2023-24) ▪ TSM internal audit (2023-24) rated significant assurance with minor improvements. ▪ Data Privacy internal audit (2025-26) rated Partial assurance with improvements required. ▪ All actions identified are being progressed.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
2. Economic climate Inability to adapt and respond to unexpected economic events <u>Risk Effect(s)</u> • Inability to deliver the Group's strategic objectives. • Potential for increased arrears and reduction in income. • Budget constraints could prompt changes to the customer offer in terms of support and general maintenance. • Increased costs could delay completion of new developments. • Potential impact on RSH Financial Viability V1 rating.	<u>First Line of Defence – Operational Management</u> ▪ Business plans are prepared using 'key rules for effective financial management', as detailed in the budget report approved by the Board. These include having spare facility headroom to cope with potential adverse economic conditions with no dependency on sales income to meet loan covenants and business plan assumptions. Budget and Business Plan including a Stress Testing Resilience Plan was approved by Board. ▪ Quarterly stress testing of Business Plans assesses the impact of adverse economic conditions on loan covenants and ongoing viability, shared with the Audit and Risk Committee. ▪ Contractor financial resilience is assessed for all new suppliers. ▪ Stress tests are completed when anything unexpected is forecast to happen, e.g. mini-budgets, revised forecasts. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ The Board and Group Audit and Risk Committee monitor a range of key economic metrics quarterly and are provided with quarterly budget forecasts and treasury compliance reports. ▪ Stress Testing Resilience Plan approved by Board. <u>Third line of Defence – External Assurance</u> ▪ Constant dialogue with Savills Financial Consultants who provide treasury advice to FHG. ▪ Business Planning & Stress Test internal audit (2024-25) rated significant assurance. ▪ Treasury Management internal audit (2025-26) rated significant assurance with minor improvements.
Risk	Current controls and sources of assurance
3. Government policy Lack of capacity within the Group to exploit and adapt to change in Government policy. <u>Risk Effect(s)</u> • Missed strategic opportunities • Risk of regulatory breaches • Operational disruption • Lack of access funds and ability to deliver corporate plan objectives • Negative outcomes for the customer	<u>First Line of Defence – Operational Management</u> ▪ Gap analysis of Sector Risk Profile showed no significant gaps. ▪ Known changes to Government policy are incorporated into budgets and business plans with anticipated changed stress tested, reviewed, and approved by the Board. ▪ FHG has a diverse tenancy base and aligns with the expectation of to deliver more social housing. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ Executive Team monitor developments in Government policy, including bidding rounds and Chancellor Statements and report key developments/actions to the Board and Audit & Risk Committee. <u>Third line of Defence – External Assurance</u> ▪ Legal Compliance Checklist completed on an annual basis, facilitated by ACS solicitors.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
4. Recruitment and Retention Inability of the Group to recruit and retain skilled and experienced Team Members <u>Risk Effect(s)</u> - Increased strain and potential disruption to business-as-usual operations - Decline in the quality of service for customers - Increase in complaints - Decrease in staff morale - Increased turnover - Inhibited organisational agility - Delays to or cancellation of key projects or workstreams - Inability to deliver Corporate Plan and Strategic objectives - Negative impact on G1/V1-ratings	<u>First Line of Defence – Operational Management</u> - Resource planning is owned by the Senior Leadership Group which lines into the Group Executive Directors. - Reward and recognition reviewed as part of a triennial benchmarking review to ensure compensation remains competitive. - The development of a high-level skills matrix sets out the core skills and capabilities for each role and underpins future resource planning and ensures staff have the right skills, and that suitable training and development arrangements are in place. - Apprenticeships offered to offset risk of a skills shortage as more experienced staff retire. - Thrive programme launched in 2025-26 to drive internal opportunity for development and progression and enhance organisational culture. - Staff survey results (2025/26) were strong, 80% overall staff engagement with the survey, 81% agreed that Futures is a great place to work and there was a strong NPS score, indicating that Team Members are likely to recommend Futures to friends and family as a great place to work. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> - FHG operates a resource planning approach which focusses on planning for specific key business scenarios. - The annual budget setting process is informed by the resource plan which assesses current and future resource requirements necessary to deliver services/projects and strategies. As workstreams are progressed, implications for staff resource levels are monitored. - Triennial benchmarking exercise completed in February 2024. - Remuneration Committee have agreed to continue to more frequent ad hoc benchmarking to ensure roles and remuneration is competitive. - Online performance appraisal process has been created which includes a talent management process, identification of successors, career aspirations/planning and flight risk. <u>Third line of Defence – External Assurance</u> - HR & Recruitment internal audit (2023-24) rated significant assurance with minor improvements. - FHG maintained Investors in People Platinum award.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
5. Cyber threat Lack of digital protection for the Group's information systems. Leading to data being unprotected against theft, loss, and corruption because of cyber-attack. <u>Risk Effect</u> • Theft and/or loss and/or loss of access to data • Loss of access to systems • Customer and employee complaints • Significant fines • Bans on data processing • Negative impact on Governance, Viability and Consumer Standard ratings • Reputational damage • Interruption to the delivery of critical and BAU services Information, Comms & Tech team (ICT)	<u>First Line of Defence – Operational Management</u> ▪ ICT Acceptable Use Policy & ICT Security Policy are in place. ▪ Cyber-Security training provided annually to all staff alongside regular awareness campaigns and phishing simulations. ▪ Scenario playbooks tested throughout the year including Ransomware and Malware Cyber Incidents. Detailed plans are in place. ▪ Mail server (MS Exchange Online & Mimecast) protection features include spam filtering, sandboxing, Ironscales, URL protect, OnDMARC, MxToolbox. Arrangements reviewed quarterly by ICT. ▪ Sophos Central Intercept X defence programs using AI to identify & prevent attacks. AlwaysOn VPN provides secure remote connection to internal network. ▪ Mobile devices use MS EndPoint Manager. ▪ All devices are encrypted at 'disk level' and are capable of being located, locked, and wiped remotely. ▪ CISV8 hardening standards for hardware. ▪ Sophos MDR (24/7-365 System monitoring) for servers. ▪ All server backups are encrypted and replicated to multiple locations including tape backup. In the event of attack, CryptoGuard can 'roll back' the server data to its unencrypted state. ▪ Antivirus software monitors for malicious software or infection using both signature-based identification of known malware and AI alerts for suspicious activity. ▪ NextGen firewall technology monitors for malicious content and blocks in real-time. Sophos Unified Threat Management and HSO Network has its own firewall. ▪ Segregated Wi-Fi (staff and visitors). ▪ Third-Party risk management enhanced through purchase and implementation of BlueVoyant 3PR software. ▪ ICT generated information consolidated into a single system (AlienVault) which analyses the information, signature matching is used to check activities against known threats. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> • Management Information Dashboards presented to KIM forum. <u>Third line of Defence – External Assurance</u> ▪ PEN Testing internal audit (2024-25) External network penetration test risk rating low and Hybrid working assessment risk rating medium. ▪ Cyber internal audit (2024-25) rated 'partial assurance with improvements required'. ▪ Data Privacy internal audit (2025-26) rated 'partial assurance with improvements required'. ▪ Compliance with the Payment Card Industry Data Security Standard (PCI DSS) (reaccredited in March 2025) and CES+ accreditation achieved in May 2025.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
6. Major incidents (business continuity) FHG is unprepared and unable to effectively respond and recover from a Business Continuity incident <u>Risk Effect</u> • Potential impact on capacity to deliver services to customers, including critical services • Potential for harm to customers and staff • Reputational damage • Damage to or loss of housing stock • Significant financial losses • Regulatory scrutiny and potential impact on ratings	<u>First Line of Defence – Operational Management</u> ▪ Business Continuity Manager in situ. ▪ Business Continuity Plan (BCP) in place for each critical service area which is subject to annual review and testing. ▪ Business Continuity Tactical Team leads on incident responses and conducts Lessons Learnt exercises and debrief documents following significant major incidents. ▪ BCP workshops over the past 12 months include flood response workshops, cyber, ransomware, and loss of critical systems. Learnings from the flooding incident include specific considerations required for vulnerable customers in supported accommodation. ▪ Battery power banks and 4G dongles supplied for identified critical services and team members, UPS power supplies also installed at Futures House providing additional power supply for 4 hours. ▪ Futures House also has generators to provide power for Customer Services Team. ▪ FHG has a Crisis Communication plan in place which is regularly reviewed and updated as necessary. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ FHG operates a Business Continuity Policy with a suite of documents which includes scenario specific response plans, i.e. cyber attack, pandemic, and generic response plans for a range of different scenarios including loss of power or access to sites. ▪ Business Continuity Steering Group is in place including key stakeholders from across the Group to provide. <u>Third line of Defence – External Assurance</u> ▪ FHG has links with Local Authority Emergency Disaster Plans. ▪ Business Continuity Arrangements internal audit (2024-25) rated 'Significant assurance'.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
7. Governance & Regulatory Compliance Lack of effective governance framework within the Group including composition, skills and delegation arrangements of Boards / Committees and staff. <u>Risk Effect(s)</u> • Leading to poor decision making • Lack of compliance with Regulatory Standards and impact regulatory judgements • Inability to deliver Corporate Plan objectives • Poor quality of information and data reporting • Potentially negative impact on the culture of the Group in terms of culture and accountability	<u>First Line of Defence – Operational Management</u> ▪ Board and all Committees have documented Terms of Reference and minutes are taken. ▪ The corporate structure is regularly reviewed, legal advice is obtained on consequences of proposed changes. ▪ A periodic review of the Group's Standing Orders and Financial Regulations is undertaken, including delegations. ▪ The Group undertakes annual self-assessments against each of the Regulatory Standards. ▪ A separate stress test resilience paper detailing the trigger limits for Board intervention is used to ensure mitigation against future risks. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ Board Recruitment & Succession Policy in place and appointments are made on a skills basis. ▪ Economic Standard compliance is reported to the Executive Team, Audit & Risk Committee and Board. ▪ Consumer Standard compliance is reported to the Executive Team, Insight Committee and Board. ▪ The Governance & Assurance Team issue self-assessment templates to relevant officers which require the officers to record and retain supporting evidence and to sign the self-assessments as reviewed and confirmed. The Governance & Assurance Team undertakes assurance checks by sampling and reviewing evidence. ▪ The Group Audit & Risk Committee annually reviews the VfM Strategy and self-assessment against the VfM standard, with comments made recorded in the minutes. ▪ The Group operates a Regulatory Standards Compliance Plan, which is reviewed annually. This plan documents the assurance provided to the Board and includes reporting timelines. ▪ The Group has a robust approach to stress-testing, considering aspects such as the Key Rules of Financial Management, external environment risks, corporate risk map and customer health and safety. Both financial and non-financial customer impacts have been assessed as part of the mitigating actions and core principles have been followed around Legal and Regulatory compliance, protection of customers' health & safety and essential services and retention of community investment where possible. The tests and mitigating actions are repeated quarterly and shared with the Board. <u>Third line of Defence – External Assurance</u> ▪ Regulatory Standards internal audit (2020/21) rated significant assurance. ▪ Governance internal audit (2022/23) rated significant assurance. ▪ Risk Management internal audit (2023/24) rated significant assurance with minor improvements. ▪ RSH IDA review (2023-24) resulting in retention of G1 / V1 rating. ▪ Regulatory Judgement (2025-26) reaffirmed G1 / V1 rating following RSH stability check.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
8. Health and Safety in the workplace Non-compliance with statutory workplace Health and Safety legislation and regulations. <u>Risk Effect(s)</u> • Death or serious harm to our Customers/Team Members/General Public/Visitors to sites and Contractors • Regulatory penalties, fines and other enforcement action • Serious reputational harm to the Group • Increase to insurance costs • Risk of legal repercussions • Impact on staff morale • Operational disruption	<u>First Line of Defence – Operational Management</u> ▪ FHG operates a Health, Safety and Environment Policy which is underpinned by procedures and Statements of Intent for specific risks such as fire, asbestos, lone working and reporting of safety events. ▪ Health and Safety training is mandatory during new starter induction with selected elements subject to periodic training updates. Records of training are maintained through the HR system and SharePoint. ▪ The staff appraisal system is used to identify H&S training needs. ▪ Volunteers within the Repairs and Grounds Maintenance Team have volunteered to become Safety Representatives within their areas to improve collaboration with operatives to facilitate communications between operatives and management. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ Board receives quarterly updates detailing RIDDORs reportable to the HSE and related actions plus any other significant findings. ▪ Health and Safety incidents are reported via TARDIS for staff which are reviewed, assessed and actions are taken to mitigate the risk of repeat failures. ▪ Customer related incidents are reported and managed via the CRM system. ▪ Quarterly Health and Safety Forums are held with representatives from across the business, with key messages disseminated to staff. Board Directors are invited to attend and observe the Forum. ▪ Customer Experience Group and Homes and Growth Groups are linked to the HSE Forum so any matters requiring attention across these groups can be raised via agenda items. <u>Third line of Defence – External Assurance</u> ▪ FHG has maintained ISO 45001, recommendation to retain certification for another year accreditation which relates to meeting the international standard for an occupational health and safety (OHS) management system. These include desk top audits, site visits and interviews. ▪ FHG works with external consultant Eventus to monitor and provide assurance in accordance with ISO45001 standard. ▪ Completion of a best practice five-star Occupational Health and Safety Audit (2023-24) conducted by the British Safety Council, in which the Group achieved the highest rating of five stars.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
9. Development Failure to deliver Corporate Plan objectives relating to the Development Programme. <u>Risk Effect</u> • Failure to meet ambitions for the construction of new homes. • Reputational damage with partners or local communities. • Financial losses or cost inefficiencies. • Regulatory issues or compliance issues associated with funding grants/awards. • Inability to offer homes to Customers.	<u>First Line of Defence – Operational Management:</u> ▪ 3-tiered approach used for opportunities (S106, Land and Build, Land Led). ▪ Development Team structure has appropriate skills and experience. ▪ Detailed procedure manual in place. ▪ Monthly Development Managers Team meetings provides a forum for scheme issues to be raised and discussed. ▪ Development Improvement Group is in operation, supported by the Transformation team to manage legacy issues. ▪ Continuous learning is embedded within the whole of the Development Team, training scheduled 2/3 months in advance and will remain ongoing as a standing item in Team meetings. ▪ Joint Contracts Tribunal contracts have been revised and brought up to date allowing the Group to remain compliant, training has been delivered to the Development Team on these updates. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ Asset Investment Committee (AIC) has delegated responsibility for oversight of the Group's development programme and monitoring of delivery and performance, including approving investment and divestment opportunities, considering and approving development scheme proposals, development programme monitoring and risk management and asset management. ▪ Development parameters are set in the Group's Standing Orders & Financial Regulations. ▪ Development controls are in place including scheme risk assessments and development scheme reporting to AIC. ▪ Detailed Development Scheme risk registers in place. ▪ PowerBI utilised to ensure reporting has greater clarity and insight into committees and Board. <u>Third line of Defence – External Assurance:</u> ▪ Development internal audit (2025-26) rated significant assurance with minor improvements. ▪ Home England Audit (2025-26) rated green outcome with no recommendations. ▪ ARK review of Bath Street and Bailey Grove developments produced a suite of new controls, these have been implemented and reported to AIC and Audit and Risk Committee.

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Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
10. Housing Health and Safety Rating System The Group may not fully meet demands of the phased implementation requirements of Awaab's Law (October 2025, 2026, and 2027), which mandate the timely identification and remediation of damp, mould, emergency repairs, and other hazards posing a significant risk of harm to tenants, including the completion of all emergency repairs within a maximum period of 24 hours <u>Risk Effect(s)</u> • Risk of death or serious harm to our customers • Regulatory penalties, fines and other enforcement action • Serious reputational harm to the Group • Increase to insurance costs • Risk of legal repercussions • Associated complaints and maladministration's • Impact on staff morale • Operational disruption	<u>First Line of Defence – Operational Management</u> ▪ FHG operates a Health, Safety and Environment Policy which is underpinned by procedures and Statements of Intent for specific risks such as fire, asbestos, lone working and reporting of safety events. ▪ Existing procedures to report repairs exists and perform well to deal with current need of the Customers. ▪ Dedicated project delivery team established with focus on ensuring the phased implementation of the requirements are met within the timeframes stipulated. ▪ Process is in place to respond to serious cases, which include measures to decant the Customer into temporary accommodation. ▪ Dedicated clean and treat team are available to respond and treat any emergency cases of damp and mould. ▪ PowerApp which allows the customer-facing staff to instantly report on damp and mould and other hazards. ▪ Category-specific surveyor who focuses on damp and mould (repetitive requests), pro-actively looking at properties with high incidents of damp and mould to conduct root-cause analysis to respond, treat, and prevent ongoing issues of damp and mould. ▪ Increased specialist resource to manage the anticipated spike in reports of damp and mould and emergency repairs, ensuring clear customer communication throughout. ▪ Emergency repairs performance complies with parameters as set out in Awaab's Law. ▪ Mandatory training updated to include Awaab's Law online and in person. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> ▪ Board receives updates at each meeting detailing data and associated actions in relation to fire, legionella, electrical, gas, asbestos and lift equipment (FLEGAL) and incidences of damp, mould and condensation in homes and key findings from other sources of assurance. ▪ Enhanced FLEGAL reporting is via the Groups Health and Safety Forum held quarterly with representatives from across the business. ▪ Group Wide Management Team Meeting included session with Nadia Khan from Rochdale Boroughwide Housing (RBH) to share her experiences and lessons learnt around Awaab Ishak's death. ▪ Performance monitoring of Awaab's Law/HHSRS is overseen by the Homes and Growth Group and via complaints tracking. <u>Third line of Defence – External Assurance</u> ▪ Gas Safety internal audit (2024-25) rated significant assurance.

Futures Homeway Limited
Year ended 31 March 2026

Strategic report (continued)

Strategic risks (continued)

Risk	Current controls and sources of assurance
11. Consumer standards compliance Failure of the Group to evidence compliance with required outcomes of the Consumer Standards <u>Risk Effect</u> - Negative impact on the outcome of Regulatory Judgement - Indicates potential harm or negative outcomes for the customer - Negative consequence for Tenant Satisfaction Measures - Investment and financial planning becomes reactive rather than proactive.	<u>First Line of Defence – Operational Management</u> - Comprehensive operational procedures embedded for services linked to Consumer Standards such as repairs, ASB, H&S and neighbourhood management. - Local ownership of Consumer Standards requirements within each operational team, with explicit responsibilities in team plans. - Mandatory training for all frontline staff on each updated Consumer Standard, with tracking and completion reporting. - Routine operational performance dashboards using live data to evidence compliance and highlight exceptions. - Customer-facing processes adapted to ensure consumer outcomes are met (complaints response times, engagement, accessibility adjustments). - Customer feedback loops embedded within operations (surveys, local forums, service-specific voice mechanisms). - Real-time data validation and quality checks at point of entry to reduce data-related compliance risk. <u>Second Line of Defence – Management oversight, Support Functions, Reporting</u> - Assurance Framework Dashboard based on the Consumer Standards monitored by Road to C1 Steering Group, stakeholders include all Group Directors. - Policies and procedures reviewed/updated to align with new Standards, with compliance sign-off. - Data quality assurance function providing second-line oversight of operational data. - Monthly performance insight reports with trend analysis reported to Homes and Growth and Customer Experience Groups, and to Board. - Standardised approach to customer voice across governance (Customer Committee and scrutiny). - Senior Leadership responsible for horizon scanning for regulatory updates. <u>Third line of Defence – External Assurance</u> - External regulatory inspection preparedness reviews by independent experts. - Annual Internal Audit programme covering Consumer Standards areas, reporting to Audit & Risk Committee. - External validation of self-assessment against Consumer Standards. - Benchmarking of compliance approach against sector peers and Regulator expectations. - Tenant Satisfaction Measures independently validated for accurate reporting. - H&S and property compliance areas externally audited (gas, fire, electrical, water hygiene). - Gas Safety internal audit (2024-25) rated significant assurance. - Health and Safety internal audit (2023-24) rated Significant assurance with minor improvement opportunities.

Futures Homeway Limited

Year ended 31 March 2026

Strategic report (continued)

Capital structure and treasury policy

FHW is funded by inter-company loans from Futures Finance Limited and Futures Treasury Plc. FHW's long term funding requirements are forecast via a Group wide business plan. The business model assumes that debt will increase in the early years to fund the purchase and development of stock and the improvement programme, after which it will gradually be repaid.

FHW's debt outstanding as at 31 March 2026 is £143m (2025: £113m). This is partially offset by cash and investments held of £3m (2025: £11m). There is no undrawn facility at the year-end (2025: £Nil).

The total available liquidity of FHW as at 31 March 2026 is £3m (2025: £11m), the reduction is due to investment in new homes. The Group's treasury management policy states that the Group should manage its liquidity risk, i.e. the risk of the Group becoming unable to meet its financial obligations when they fall due, through ensuring that sufficient sources of funding are available. The Group should hold liquid funds, short term funds and medium-term funds for rolling periods of three months, 12 months and 18 months respectively that can be accessed within appropriate timescales.

Liquidity risk is effectively managed as the Group's cash and cash investments can be accessed within seven days and all committed debt facilities can be accessed within two working days. The policy also states that the Group should ensure it will not require additional financing to meet its contractually committed obligations within a period of less than 24 months. The Group complies with this requirement in its annual budget business plans and monthly outturn plans. The Group is subject to refinance risk when the existing borrowing facilities expire based on the current development pipeline, but this extends beyond 24 months.

Intercompany agreements have been set up to allow surplus cash to be transferred within the group to further the charitable aims of the Group. This provides value for money as reduces the need to draw on external loans, thereby lowering the Group's new interest cost. Currently 5D can lend its surplus cash to the registered providers (FHL, FHW & FHG) and FHL and FHW can lend surplus cash to one another primarily to fund development programmes.

FHW believes that the current debt position provides a good balance between protection against interest rate increases, and flexibility. All of FHW's debt is maintained within the treasury policy limits stating that a minimum of 70% of debt should be fixed at any time.

Accounting policies

FHW's principal accounting policies are set out in the notes to the financial statements. There were no significant changes to accounting policies in the current year.

Key estimates and judgements

The significant judgements and estimates made by the Group in the preparation of the financial statements are set out in the notes to the financial statements. There were no significant changes to key estimates and judgements in the current year.

Futures Homeway Limited
Year ended 31 March 2026

Strategic report (continued)

Events after the end of the reporting period

We consider that there are no events since the financial year-end that have a significant effect on the financial position of FHW.

Payment of creditors

In line with government guidance, the Group's policy is to pay purchase invoices within 30 days of receipt, or earlier if agreed with the supplier.

Health & safety and environmental policy

The Board is aware of its responsibilities on all matters relating to health and safety. Taking into account the needs of its customers and society at large, FHW will aim to eliminate or reduce to a level as low as reasonably practicable, the health, safety and environmental impacts of its activities; protect the environment and prevent pollution by utilising a structured risk management approach and the implementation of sustainable procurement practices, targeted carbon emission reduction and a reduction of waste to landfill.

Complaints

All companies within the Group have a clear and simple complaints policy. The Group has robust procedures to ensure that unresolved complaints are actively monitored and appropriate action taken to address the relevant issues. During the year, additional investment into the complaints team was made, in response to there being less restrictions for customers to complain to landlords and to ensure learnings from these complaints can be made by the Group.

Statement of compliance

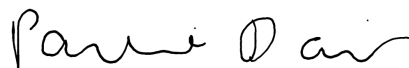
In preparing this strategic report, the Board has followed the principles set out in the *Housing SORP 2018 (Statement of Recommended Practice for Social Housing Providers)*.

FHW is required to comply with the Regulatory Standards included in the Regulatory Framework and to certify compliance annually with the Governance and Financial Viability Standard.

During the year, the Board has overseen an assessment of compliance with each of the Regulatory Standards. The outcome of the annual assessment was reported through an annual statement of internal control which the Board approved. As a consequence the Board can certify that the Group was in full compliance with the Governance and Financial Viability Standard for 2025-26.

In approving the strategic report, the Board is also approving the strategic report in its capacity as the Board of the association.

The strategic report was approved by the Board on 8 September 2026 and signed on its behalf by:



Pauline Davis

Chair of the Board

Futures Homeway Limited

Year ended 31 March 2026

Report of the Board

Board members and executive directors

The present Board Directors are set out on page 1, together with those who served during the year. The Directors are drawn from a wide range of backgrounds, bringing together professional, commercial, and local experience. The Executive Directors are employed by Futures Housing Group. Details of Board Members and the Group's Executive Directors' emoluments are included in the financial statements of that company. The Association has insurance policies that indemnify its Board of Directors against liability when acting for the Association.

Donations

FHW made no charitable or political donations in the year (2025: £nil).

Going concern

FHW's business activities, its current financial position and factors likely to affect its future development are set out within the strategic report of the Board. FHW has in place long-term debt facilities, which provide adequate resources to finance committed reinvestment and development programmes, along with FHW's day to day operations. FHW also has a long term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants.

The Board is satisfied that the stress testing, which includes single variant stress testing, multi-variant stress testing and determination of tolerance levels alongside mitigating actions, demonstrates sufficient financial strength to conclude that FHW is a going concern. In reaching this decision, the Board has noted that the new business plans meet the key rules for effective financial management, are not reliant on sales income to meet loan covenants and can tolerate sufficient cost pressures/income without creating a covenant breach or needing to secure extra funding over the period under review, being at least 12 months from the date of signing these accounts. The Board is comfortable that the stress testing mitigation plan contains sufficient mitigation strategies to ensure the viability of FHW whilst minimising any adverse impact for customers.

The stress testing resilience plan has also been considered by the Board in reaching its going concern conclusions. The plan sets out the point at which the Board would intervene to instigate corrective action that would steer FHW towards compliance with its key rules for financial management. The plan demonstrates the mitigation methods that would provide sufficient immediate cash savings.

On this basis, the Board has a reasonable expectation that FHW has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Legal compliance

The Board recognises FHW's responsibility to ensure ongoing legal compliance as a result of the law constantly being updated. It also recognises the RSH's *Governance and Financial Viability Standard* and the importance of effective governance arrangements to ensure that all of the Group's registered providers of social housing adhere to all relevant law.

Futures Homeway Limited

Year ended 31 March 2026

Report of the Board (continued)

Legal compliance (continued)

To ensure compliance, the Group works with Anthony Collins Solicitors LLP, to help assess the extent to which it complies with relevant English law. This process involves using a legal compliance checklist designed to highlight any potential legal non-compliance in relation to the Group's core business. This review is overseen by the Group Audit & Risk Committee and reported to the Board. The review concluded that no significant issues had been identified requiring immediate or significant action to ensure legal compliance.

Internal controls assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. This responsibility applies to all organisations within the Group. For more information on controls assurance, refer to Futures Housing Group Limited's financial statements.

NHF Code of Governance

The Group has adopted and complies with the NHF Code 2020 as the code of governance for the Group's registered providers in compliance with the requirements of the regulatory *Governance and Financial Viability Standard*.

Statement of the responsibilities of the Board

The Board is responsible for preparing the Strategic Report, the report of the board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society legislation requires the Board to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable laws) including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the Group and Company for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable *United Kingdom Accounting Standards and the Statement of Recommended Practice (SORP): Accounting by Registered Social Housing Providers 2018*, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the association will continue in business.

Futures Homeway Limited
Year ended 31 March 2026

Report of the Board (continued)

Statement of the responsibilities of the Board (continued)

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the association's transactions and disclose with reasonable accuracy at any time the financial position and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Society Act 2014, the Housing Regeneration Act 2008, the Housing Statement of Recommended Practice (2018) and the Accounting Direction for Private Registered Providers and Social Housing (April 2019). They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board confirms that:

- so far as each of the Board members are aware there is no relevant audit information of which the Association's auditor is unaware; and
- the Board members have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

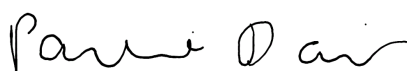
The Board is responsible for the maintenance and integrity of the corporate and financial information on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board is committed to maintaining high standards of corporate governance and transparency, in line with the requirements of the Economic Crime and Corporate Transparency Act 2023 and confirms that procedures are in place to prevent fraud and economic crime within the organisation and among associated persons. This includes anti-fraud policies, whistleblowing procedures and enhanced staff training for staff and management on fraud risk awareness and reporting obligations.

External auditors

BDO LLP were re-appointed as auditor at the Board meeting on 8 September 2026.

The report of the Board was approved by the Board on 8 September 2026 and signed on its behalf by:



Pauline Davis
Chair of the Board

Futures Homeway Limited
Year Ended 31 March 2026

Independent auditor's report to the members of Futures Homeway Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2026 and of the Association's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Futures Homeway Limited ("the Association") for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position and Notes 1 to 29 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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

**Futures Homeway Limited
Year Ended 31 March 2026**

**Independent auditor's report to the members of Futures Homeway Limited
(continued)**

Other information

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

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 to report to you if, in our opinion:

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

Responsibilities of the board

As explained more fully in the Statement of the responsibilities of the Board, the Board Members 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 Board Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Futures Homeway Limited
Year Ended 31 March 2026

Independent auditor's report to the members of Futures Homeway Limited
(continued)

Auditor's responsibilities for the audit of the financial statements

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

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 Association and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Association's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the Co-operative and Community Benefit Society Act 2014, Financial Reporting Standard 102 (United Kingdom Generally Accepted Accounting Practice), Accounting Direction for Private Registered Providers of Social Housing 2022 and UK tax legislation.

The Association is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Regulator of Social Housing's Regulatory Standards, health and safety legislation, the Bribery Act 2010, employment law and data protection.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Futures Homeway Limited
Year Ended 31 March 2026

Independent auditor's report to the members of Futures Homeway Limited
(continued)

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 regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Association'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;
- Review of fraud register 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 management override including the posting of inappropriate journals to manipulate financial results and management bias in accounting estimates and fraud in revenue recognition in relation to year end property sales cut-off.

Our procedures in respect of the above included:

- Testing all journal entries that met defined risk criteria, as well as a random sample from the non-risky population, by agreeing to supporting documentation;
- A review of estimates and judgements applied by Management in the financial statements to assess their appropriateness and the existence of any systematic bias;
- Testing a sample of properties sold in March 2026 and for the selected sample, we have obtained the completion statement and reviewed bank receipt to ensure that the sales have been recorded in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities 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.

**Futures Homeway Limited
Year Ended 31 March 2026**

**Independent auditor's report to the members of Futures Homeway Limited
(continued)**

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

Use of our report

This report is made solely to the Members of the Association, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association'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 Association and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
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BDO LLP
Statutory Auditor
Birmingham, UK
Date: 09 September 2026

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

Futures Homeway Limited
Year Ended 31 March 2026

Statement of Comprehensive Income for the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Turnover	4	25,135	23,100
Operating Costs (including cost of sales)	4	(18,468)	(16,593)
Revaluation of investment properties	4	(210)	(700)
Surplus on sale of housing properties	6	736	159
Surplus on sale of other fixed assets	4	13	-
Operating Surplus	4,5	<u>7,206</u>	<u>5,966</u>
Interest receivable and other income	8	1,008	1,333
Interest payable and similar charges	9	(4,815)	(3,791)
Other finance costs	10	9	6
Gift aid income		<u>123</u>	<u>104</u>
Surplus for the year		<u><u>3,531</u></u>	<u><u>3,618</u></u>
Actuarial loss relating to the pension scheme	10	(324)	(259)
Total comprehensive income for the year		<u><u>3,207</u></u>	<u><u>3,359</u></u>

The notes on pages 32 to 62 form part of these financial statements.

Futures Homeway Limited
Year Ended 31 March 2026

Statement of Changes in Reserves for the year ended 31 March 2026

	2026 £'000	2025 £'000
Balance as at 1 April	21,029	17,670
Comprehensive income for the year	3,207	3,359
Balance as at 31 March	<u><u>24,236</u></u>	<u><u>21,029</u></u>

The notes on pages 32 - 62 form part of these financial statements.

Futures Homeway Limited
Year Ended 31 March 2026

Statement of Financial Position as at 31 March 2026

	Note	2026 £'000	2025 £'000
Tangible fixed assets			
Housing properties	13	148,536	122,692
Other tangible fixed assets	14	874	60
Investment Properties	15	4,516	4,516
		<u>153,926</u>	<u>127,268</u>
Current assets			
Stock	16	59	49
Properties held for sale	17	2,555	1,682
Debtors	18	28,171	10,854
Cash at cash equivalents		2,718	11,146
		<u>33,503</u>	<u>23,731</u>
Creditors: Amounts falling due within one year	19	<u>(6,931)</u>	<u>(5,488)</u>
Net current assets		<u>26,572</u>	<u>18,243</u>
Total assets less current liabilities		<u>180,498</u>	<u>145,511</u>
Creditors: Amounts falling due after more than one year	20	(156,262)	(124,482)
Net pension liability	10	-	-
Total net assets		<u>24,236</u>	<u>21,029</u>
Reserves			
Revenue reserve		24,236	21,029
Total Reserves		<u>24,236</u>	<u>21,029</u>

The notes on pages 32 to 62 form part of these financial statements.

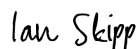
These financial statements were approved by the Board on 8 September 2026 and signed on its behalf by:



Pauline Davis (Chair)



John Stephen Jackson (Board Member)



Ian Skipp (Company Secretary)

Company Number: 05775392

Futures Homeway Limited

Year Ended 31 March 2026

Notes to the financial statements

1. Legal status

The association is registered under the Co-operative and Community Benefit Society Act 2014 and is a registered housing provider. Its registered office is Futures House, Building 435, Argosy Road, Castle Donington, DE74 2SA.

2. Accounting policies

Basis of accounting

The financial statements of the association are prepared in accordance with *UK Generally Accepted Accounting Practice (UK GAAP)* including *Financial Reporting Standard 102 (FRS 102)* and the *Statement of Recommended Practice: Accounting for Registered Social Housing Providers 2018*, and comply with the *Accounting Direction for Private Registered Providers of Social Housing 2022*.

Public benefit entity

FHW is a public benefit entity in accordance with FRS102. The financial statements are presented in sterling (£) which is also the functional currency.

The association has adopted the disclosure exemptions available to it under FRS 102, being:

- the requirements of Section 11; Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.4B(a)(iii), 11.4B(a)(iv), 11.4B(b) and 11.48(c);
- the requirements of Section 33; Related Party Disclosures paragraph 33.7; and
- the requirements of Section 7; Statement of Cash Flows.

The association is itself a subsidiary company and is exempt from the requirement to prepare Group accounts. These financial statements present information about the individual association. Results are consolidated into the accounts of Futures Housing Group Limited.

Going concern

The financial statements have been prepared on a going concern basis.

The Board has reviewed a number of key areas to determine that the Group is a going concern, as set out below:

- Multi-year financial forecasts have been prepared, capturing all operating and capital cashflows and associated funding cashflows. These cashflows eliminate the 'high risk' cashflows such as grant income and sales income and each of these demonstrate to the Board that cash remains positive over the period, being at least 12 months from the date of signing these accounts, without the need to secure any further funding than what is already in place and secured.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)

Going concern (continued)

- Stress testing has been carried out and reviewed by the Board on the approved business plans. The Board is satisfied that the stress testing, which includes single variant stress testing, multi-variant stress testing and determination of tolerance levels alongside mitigating actions, demonstrates sufficient financial strength to conclude that FHW is a going concern. In reaching this decision, the Board has noted that the new business plans meet the key rules for effective financial management, are not reliant on sales income to meet loan covenants and can tolerate sufficient cost pressures/income without creating a covenant breach or needing to secure extra funding over the period under review, being at least 12 months from the date of signing these accounts. The Board is comfortable that the stress testing mitigation plan contains sufficient mitigation strategies to ensure the viability of FHW whilst minimising any adverse impact for customers.
- The stress testing resilience plan has also been considered by the Board in reaching its going concern conclusions. The plan sets out the point at which the Board would intervene to instigate corrective action that would steer FHW towards compliance with its key rules for financial management. The plan demonstrates the mitigation methods that would provide sufficient immediate cash savings.
- The forecast cash and covenant positions have been considered by the Board in forming its going concern conclusions. The cash positions are considered to be both the forecast cash at bank positions plus the unutilised secured and in place loan facilities.
- The covenant positions have been considered and there is no covenant non-compliance forecast in the business plans over the period, being at least 12 months from the date of signing these accounts and beyond. In addition, cash break-even point assessments have been reviewed by the Board, at subsidiary level, to obtain comfort that the cash positive cashflows have sufficient robustness within them. This review has highlighted that FHW would have to lose all committed sales and grant income and experience operating costs increasing by 140% before cash turns negative.
- For the reasons mentioned above, the Board considers that FHW is a going concern. While risks exist, these do not cast doubt on FHW's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months from the date of signing these accounts.

Turnover and revenue recognition

Turnover comprises:

- rental income receivable;
- service charges receivable;
- income from shared ownership first tranche sales;
- sales of properties built for sale;
- revenue grants; and
- other services

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)

Rental income is recognised from the point properties become available for letting. Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met. Income from first tranche sales and sales of properties built for sale are recognised at the point of legal completion of the sale. All other income is recognised at the point goods and services are supplied and included at the invoiced value (excluding VAT).

Taxation

The charge for taxation is based on the surpluses arising on certain activities which are liable to tax.

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits:

- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where timing differences relate to interests in subsidiaries and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date.

Value Added Tax

The association charged Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is incurred by the association and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Interest payable

Interest payable is charged to the Statement of Comprehensive Income in the year. No interest payable is capitalised.

Interest receivable

Interest receivable is charged to the Statement of Comprehensive Income in the year.

Pensions

The association participates in the Northamptonshire County Council Pension Fund, a defined benefit pension scheme administered in partnership by West Northamptonshire County Council and Cambridgeshire County Council.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)
Pensions (continued)

In relation to the defined benefit scheme, the current service costs and costs from settlements and curtailments are charged against operating surplus. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs and income. Actuarial gains and losses are reported in the statement of comprehensive income.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality bond rates. The net deficit, adjusted for deferred tax, is presented separately from other assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the association.

In relation to the defined contribution scheme, the charges for the year represent the employer contributions payable to the scheme for the accounting period.

Housing managed on behalf of other landlords

The treatment of income and expenditure in respect of housing projects managed on behalf of other agencies depends on whether the Association carries the financial risk.

Where the Association carries the financial risk, all the project's income and expenditure is included in the Association's Statement of Comprehensive Income.

Where the other landlord carries the financial risk, the Statement of Comprehensive Income includes only that income and expenditure which relates solely to the Association.

Housing properties

Housing properties are held for the provision of social housing or to otherwise provide social benefit. Housing properties are properties available for rent and properties subject to shared ownership leases.

Properties are stated at cost less depreciation. Cost includes the cost of acquiring land & buildings, development costs and expenditure incurred in respect of improvements.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Shared ownership properties are split proportionally between current and fixed assets based on the amount relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover, and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Depreciation of housing properties

Freehold land is not depreciated. The Group separately identifies the major components which comprise its housing properties and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)
Depreciation of housing properties (continued)

The Group depreciates the major components of its housing properties over the following number of years:

	Life in years
Structure	100
Fire Safety Measures	50
Roof	50
Bathroom	30
Doors	30
Electrical Rewires	30
External Wall Insulation	30
Fascia	30
Soffit	30
Windows	30
Damp Proofing	25
Heating Distribution System	25
Solar PV	25
Kitchen	20
Bio Mass System	20
Disabled Adaptations	18
Boiler	12

Internal wall insulation is depreciated over the remaining life of the structure.

Government grants

Government grants include grants receivable from the RSH, local authorities, and other government organisations. Government grants received for housing properties are initially credited to the deferred grant account within long term creditors on the statement of financial position. They are then amortised over the useful life of the housing property structure and, where applicable its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in the statement of comprehensive income over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with the RSH. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a recycled capital grant fund and included in the statement of financial position in creditors.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in the statement of comprehensive income.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)
Government grants (continued)

statement of comprehensive income. Upon disposal of the associated property, the association is required to recycle these proceeds and recognise them as a liability.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Housing properties are assessed annually for impairment triggers. Where triggers are identified an assessment for impairment is undertaken comparing the cash generating unit's (CGU) carrying amount to its recoverable amount. Where the carrying amount of an CGU is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount in line with the SORP guidelines.

Other tangible fixed assets

Assets are held at historic cost less accumulated depreciation. Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives.

The principal estimated useful economic lives used for other assets are:

	Life in years
Computers and office equipment	3
Tools and equipment	3
Motor vehicles	3
Furniture, fixtures and fittings:	
- General	5
- Solar panels	15
Lifeline equipment	5

Leased assets

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)

Investment properties

Investment properties consist of properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value at the year end date, with changes in fair value recognised in the statement of comprehensive income. Fair value is determined annually by appropriately qualified external valuers and is derived from current market rents and investment property yields for comparable properties, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided on investment properties.

Properties for sale

Shared ownership sales and property under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model. Management has reviewed the association's loan agreements and has deemed them to be basic financial instruments.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured at amortised cost. Bad debt provision on rental income is calculated according to the following policy:

Customer balance (current arrears)	Provision policy
Below £250	0%
£251 to £500	10%
£501 to £1,000	25%
£1,001 to £1,500	50%
Over £1,500	75%
Customer balance (former arrears) All balances	100%

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

2. Accounting policies (continued)

Liquid resources: cash and cash equivalents

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

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Significant management judgements

The following are the significant management judgements made in applying the accounting policies of the Association that have the most significant effect on the financial statements:

1) Impairment

As part of the Group's continuous review of the performance of their assets, management identify any homes or schemes that have indicators of impairment, such as if there are increasing void losses, are affected by policy changes or where the decision has been made to dispose of the properties. When an indicator is identified, analysis is undertaken to compare the carrying value and recoverable amount of the homes and any impairment losses are charged to operating surpluses.

The estimated depreciated replacement cost ('DRC'), calculated using appropriate construction costs and land prices is compared to the carrying value of the asset and where the DRC is lower than the carrying cost an impairment charge is made against the social housing properties.

A review has been carried out on shared ownership homes that are held for sale on the Statement of Financial Position. As at 31 March 2026, there are two unsold homes, one was sold in April and the other in June at a surplus. Costs held are all assets under construction and expected sales values exceed expected costs to completion. Therefore we consider no impairment is required.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

3. Significant judgements and estimates (continued)
Significant management judgements (continued)

2) Capitalisation of property development costs

Judgement is needed to distinguish the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs. Manager monitors the asset after capitalisation management and considers whether changes indicate that impairment is required.

3) Cost Apportionment of Development Schemes

Management's estimate of the apportioned cost of individual properties for all tenures is done on a square metre basis.

4) Recoverable amounts on property held for sale

The forecast sale percentage is considered for the stock held for sale and the cost allocated accordingly. A review of the expected sales price, taking into account costs to completion in respect of assets under construction, is also performed and impairment considered.

5) Staff seconded to FHG

Management believe that FHG has a constructive obligation for pension costs for staff seconded from FHW, who are in the Local Government Pension Scheme. As such the cost of pension contributions relating to those staff in-year are borne by FHG. As FHW remains responsible for their pension obligations the related schemes assets and liabilities are included in FHW's statement of financial position and the details disclosed in the notes to the accounts.

6) Recognition of defined benefit net surplus

Management's estimate of the Defined Benefit Obligation DBO is determined using actuarial valuations using a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. A review has been undertaken of the valuation report for 31 March 2026 which calculated a net surplus for the defined benefit scheme that the association participates in. Management has concluded that, based on our interpretation of the pension scheme rules the Association does not have an unconditional right to recover the asset either in the form of reduced contributions or a refund, so in line with FRS102 and the accounting policy the net pension surplus should be capped at £nil (2025: £nil).

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

3. Significant judgements and estimates (continued)
Estimation uncertainty (continued)

1) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

2) Defined Benefit Obligation (DBO)

Management's estimate of the DBO is determined using actuarial valuations using a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty and variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note 10).

3) Investment property valuation

Management's estimate of the valuation of the investment property is based on an independent valuation by Rupert David & Co Chartered Surveyors. The estimated value is the market value for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeable, prudently and without compulsion.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

4a. Particulars of turnover, cost of sales, operating costs and operating surplus

	Turnover	Cost of sales	Operating costs	Operating surplus
	2026	2026	2026	2026
For the year ended 31 March 2026	£000	£000	£000	£000
Social housing lettings (see note 4b)	22,008	-	(15,519)	6,489
Other social housing activities				
Management and agency services	16	-	(3)	13
First tranche shared ownership sales	2,493	(2,166)	(417)	(90)
Other	47	-	(8)	39
	<u>2,556</u>	<u>(2,166)</u>	<u>(428)</u>	<u>(38)</u>
Non-social housing activities				
Charges for support services	179	-	(146)	33
Other	39	-	(11)	28
Market Rents	353	-	(198)	155
	<u>571</u>	<u>-</u>	<u>(355)</u>	<u>216</u>
Total Social Housing	25,135	(2,166)	(16,302)	6,667
Revaluation of investment properties				(210)
Surplus on sale of housing properties				736
Surplus on sale of other fixed assets				13
				<u>7,206</u>
	Turnover	Cost of sales	Operating costs	Operating surplus
	2025	2025	2025	2025
For the year ended 31 March 2025	£000	£000	£000	£000
Social housing lettings (see note 4b)	21,389	-	(15,338)	6,051
Other social housing activities				
Management and agency services	14	-	(2)	12
First tranche shared ownership sales	1,059	(778)	(170)	111
Other	52	-	(8)	44
	<u>1,125</u>	<u>(778)</u>	<u>(180)</u>	<u>167</u>
Non-social housing activities				
Charges for support services	188	-	(150)	38
Other	43	-	(11)	32
Market Rents	355	-	(136)	219
	<u>586</u>	<u>-</u>	<u>(297)</u>	<u>289</u>
Total Social Housing	23,100	(778)	(15,815)	6,507
Revaluation of investment properties				(700)
Surplus on sale of housing properties				159
				<u>5,966</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

4b. Particulars of turnover, cost of sales, operating costs and operating surplus

For the year ended 31 March 2026	General housing 2026 £000	Sheltered housing 2026 £000	Shared ownership 2026 £000	Total 2026 £000
Turnover from social housing lettings				
Rent receivable net of identifiable service charges	14,880	5,371	770	21,021
Service income	622	224	-	846
Amortisation of government grants	141	-	-	141
Turnover from Social housing lettings	15,643	5,595	770	22,008
Expenditure on social housing lettings				
Management	(4,209)	(1,519)	(370)	(6,098)
Services	(658)	(489)	-	(1,147)
Routine maintenance	(1,718)	(620)	-	(2,338)
Planned maintenance	(1,116)	(403)	-	(1,519)
Major repairs expenditure	(658)	(238)	-	(896)
Bad debts	(47)	(17)	-	(64)
Depreciation of housing properties	(2,000)	(722)	(166)	(2,888)
Depreciation of other fixed assets	(240)	(87)	-	(327)
Accelerated Depreciation	(148)	(53)	-	(201)
Other	(30)	(11)	-	(41)
Total expenditure on social housing lettings	(10,824)	(4,159)	(536)	(15,519)
Operating surplus on social housing lettings	4,819	1,436	234	6,489
Void losses	(312)	(113)	-	(425)

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

4b. Particulars of turnover, cost of sales, operating costs and operating surplus
(Continued)

For the year ended 31 March 2025	General housing 2025 £000	Sheltered housing 2025 £000	Shared ownership 2025 £000	Total 2025 £000
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**Turnover from social housing
lettings**

Rent receivable net of identifiable service charges	14,536	5,299	701	20,536
Service income	544	198	-	742
Amortisation of government grants	111	-	-	111

**Turnover from Social housing
lettings**

15,191	5,497	701	21,389
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Expenditure on social housing lettings

Management	(4,365)	(1,591)	(353)	(6,309)
Services	(577)	(478)	-	(1,055)
Routine maintenance	(1,649)	(602)	-	(2,251)
Planned maintenance	(545)	(199)	-	(744)
Major repairs expenditure	(1,394)	(508)	-	(1,902)
Bad debts	(72)	(26)	-	(98)
Depreciation of housing properties	(1,800)	(657)	(139)	(2,596)
Depreciation of other fixed assets	(49)	(18)	-	(67)
Accelerated Depreciation	(171)	(62)	-	(233)
Other	(61)	(22)	-	(83)

**Total expenditure on social
housing lettings**

(10,683)	(4,163)	(492)	(15,338)
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**Operating surplus on social
housing lettings**

4,508	1,334	209	6,051
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Void losses

(300)	(109)	-	(409)
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Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

5. Operating surplus

This is arrived at after charging/(crediting):

	2026	2025
	£000	£000
Depreciation of housing properties (note 13)	3,089	3,023
Impairment/(impairment credit) of housing properties (note 13)	-	(194)
Depreciation of other tangible fixed assets (note 14)	327	67
Operating lease rentals		
-Buildings	<u>59</u>	<u>59</u>

Auditor's remuneration is borne by the company's parent undertaking, Futures Housing Group Limited. No audit fees are expensed by the entity.

6. Surplus on sale of fixed assets - housing properties

	2026	2025
	£000	£000
Disposal proceeds	1,091	256
Carrying value of fixed assets	<u>(355)</u>	<u>(97)</u>
	<u>736</u>	<u>159</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

7. Accommodation in management and development

At the end of the year, the accommodation in management for each class of accommodation was as follows:

For the year ended 31 March 2026

	Social units	Affordable units	Shared ownership units	Supported sheltered units	Market rent units	Rent to Buy units	Total owned units
Opening stock	2,113	192	188	860	43	54	3,450
Additions	20	8	24	-	-	-	52
Reclassification	-	11	(2)	-	-	(9)	-
Disposals	(9)	-	(2)	(1)	-	-	(12)
Closing stock	2,124	211	208	859	43	45	3,490

	Managed not owned units	Total owned and managed units
Opening stock	85	3,535
Additions	2	54
Reclassification	-	-
Disposals	(2)	(14)
Closing stock	85	3,575

8. Interest receivable and other income

	31 March 2026 £000	31 March 2025 £000
Interest receivable	356	1,294
Interest receivable from Group undertakings	652	39
	1,008	1,333

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

9. Interest payable and similar charges

	31 March	31 March
	2026	2025
	£000	£000
Interest payable to group undertakings	4,815	3,791

10. Employees

Average monthly number of employees expressed in full time equivalents (calculated based on a standard working week of 37 hrs):

	31 March	31 March
	2026	2025
	No.	No.
FTEs		
Housing, support and care	59	52

Employee costs:

	31 March	31 March
	2026	2025
	£000	£000
Wages and salaries	2,064	1,785
Social security costs	260	174
Pension costs *	(101)	(73)
	2,223	1,886

* Pension costs in 2026 included a credit of £315k (2025: £253k) as a result of the annual FRS102 current service costs being lower than actual contributions in the year. Current service costs for employees seconded to Future Housing Group costs are recharged in the year.

Northamptonshire County Council Pension Fund (NCCPF)

The NCCPF is a multi-employer defined benefit scheme, which is administered in partnership by West Northamptonshire County Council and Cambridgeshire County Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

10. Employees (Continued)

Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit method.

The most recent formal actuarial valuation was completed as at 31 March 2025.

The market value of the scheme's assets at that date was £11.3 million and the level of funding was 149%. The main actuarial assumptions used in the valuation were:

	% p.a.
Discount rate	6.0%
Salary increases	2.8%
Benefit increases and CARE revaluation (CPI)	2.3%

Contributions

The company paid contributions at the rate of 43.2% during the year. The cost to the company, of contributions to the scheme in the period, amounted to £378k (2025: £337k). Members' contributions vary between 5.5% and 11.4% of pensionable pay until 31 March 2026, depending on the circumstances of the employee. Employers' contributions to the NCCPF during the accounting period beginning 1 April 2026 are at a rate of 0.0%.

Major categories of plan assets as a total of plan assets

	2026	2025
	%	%
Equities	50	52
Bonds	31	28
Property	15	16
Cash	4	4

Assumptions

The main financial assumptions used by the actuary were as follows:

	2026	2025
	%	%
Rate of increase in salaries	3.50	3.25
Rate of increase in pensions	3.00	2.75
Discounted rate	6.30	5.80

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

10. Employees (continued)

Mortality assumptions

The post retirement mortality assumptions were based on the fund's VitaCurves with improvements inline with the CMI 2023 model and these are used to value the benefit obligation at 31 March as determined by the actuary, for non-pensioners and pensioners.

	2026	2025
	No of years	No of years
Current pensioners:		
Males	20.8	19.9
Females	24.5	24.0
Future pensioners:		
Males	22.8	22.3
Females	26.3	25.9

Amounts recognised in the statement of financial position

	2026	2025
	£000	£000
Present value of funded obligations	(6,900)	(6,555)
Fair value of plan assets	12,297	11,143
Surplus Restriction	(5,397)	(4,588)
	-	-
Present value of unfunded obligations	-	-
Net liability	-	-

Amounts recognised in other comprehensive income

	2026	2025
	£000	£000
Remeasurement of Assets	331	(336)
Actuarial movement on liabilities	(112)	1,437
Restriction of surplus	(809)	(1,509)
Interest on effect of the asset ceiling	266	149
Actuarial (loss) in other comprehensive income	(324)	(259)

Analysis of the amount charged to operating surplus

	2026	2025
	£000	£000
Current service cost/total operating charge	63	84

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

10. Employees (continued)

Analysis of the amount charged to other finance costs

	2026	2025
	£000	£000
Expected return on pension scheme assets	651	527
Interest on pension scheme liabilities	(376)	(372)
Effect of asset ceiling	(266)	(149)
Net finance cost	<u>9</u>	<u>6</u>

Movement in deficit during the year

	2026	2025
	£000	£000
Company share of net liabilities at start of year	-	-
<i>Movement in year:</i>		
Current service cost	(63)	(84)
Employer contributions	378	337
Other finance costs	9	6
Actuarial (loss)	(324)	(259)
Company share of net scheme liabilities at end of year	<u>-</u>	<u>-</u>

Changes in present value of defined benefit obligation

	2026	2025
	£000	£000
Opening defined benefit obligation (including unfunded obligations)	(6,555)	(7,735)
Current service cost	(63)	(84)
Past service cost	-	-
Interest cost	(376)	(372)
Contributions by members	(34)	(31)
Actuarial gains	(112)	1,437
Past service gain	-	-
Benefits paid	240	230
Closing defined benefit obligation (including unfunded obligations)	<u>(6,900)</u>	<u>(6,555)</u>

Changes in fair value of plan assets

	2026	2025
	£000	£000
Opening fair value of plan assets	11,143	10,814
Expected return on assets	651	527
Actuarial gain/(loss)	331	(336)
Contributions by employer	378	337
Contributions by members	34	31
Benefits paid	(240)	(230)
Fair value of assets at end of year	<u>12,297</u>	<u>11,143</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

10. Employees (continued)

We are aware of the implications of the Pension Scheme Act 2026 following the Virgin Media pension ruling. Due to ongoing legislative uncertainties it is difficult at this stage to reach a definitive conclusion regarding any impact on our pension scheme. We do not consider there to be any fundamental doubts at this stage, as such there is insufficient evidence that any adjustment would need to be recognised within the year end liabilities and therefore no allowance has been made in the above disclosures.

11. Board members and executive directors

Executive directors

All costs associated with the Board members and Group executive directors are borne by FHG. Details of their emoluments are disclosed in the financial statements of that company.

Costs associated with Board members' expenses paid during the year to Board members were also borne by FHG. Details of these are disclosed in FHG's accounts.

One member of staff received emoluments in the banding £60,000 - £70,000, one member of staff £70,000 - £80,000 and one member of staff £100,000 - £110,000.

12. Tax on surplus

The company was granted charitable status on 21 September 2007 and has not conducted any business outside of its charitable objectives. The company is therefore not liable to Corporation Tax.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

13. Tangible fixed assets - properties
(All freehold)

	Completed housing properties shared ownership £'000	Shared ownership properties under construction £'000	Social housing properties held for letting £'000	Social housing properties under construction £'000	Total £'000
Cost					
At 1 April 2025	17,735	3,526	114,946	7,586	143,793
Additions	16	4,294	1,305	17,122	22,737
Capitalised improvements	-	-	6,539	-	6,539
Schemes Completed	3,818	(3,818)	6,804	(6,804)	-
Disposals	(183)	-	(1,119)	-	(1,302)
At 31 March 2026	21,386	4,002	128,475	17,904	171,767
Depreciation and impairment					
At 1 April 2025	863	-	20,238	-	21,101
Charged in year	166	-	2,923	-	3,089
Released on disposal	(11)	-	(948)	-	(959)
At 31 March 2026	1,018	-	22,213	-	23,231
Net Book Value					
At 31 March 2026	20,368	4,002	106,262	17,904	148,536
At 31 March 2025	16,872	3,526	94,708	7,586	122,692

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

13. Tangible fixed assets (continued)

Expenditure on works to existing properties

	2026	2025
	£'000	£'000
Components capitalised	6,539	8,863
Amounts charged to statement of comprehensive income Note 4b	896	1,902
	<u>7,435</u>	<u>10,765</u>

Social housing assistance

	2026	2025
	£'000	£'000
Total accumulated grant	<u>14,929</u>	<u>12,664</u>
Recognised in comprehensive income	1,104	994
Held as deferred capital grant	<u>13,825</u>	<u>11,670</u>
As at 31 March	<u>14,929</u>	<u>12,664</u>

Housing properties book value, net of depreciation (note 13) comprises

	2026	2025
	£'000	£'000
Freehold land and buildings	<u>148,536</u>	<u>122,692</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

14. Tangible fixed assets - other

	Tools and equipment	Furniture, fixtures and fittings	Lifeline equipment	Computers and office equipment	Vehicles	Total
	£000	£000	£000	£000	£000	£000
Cost						
At 1 April 2025	115	209	379	72	697	1,472
Additions	79	8	709	0	345	1,141
Disposals	(17)	-	(367)	(69)	(70)	(523)
At 31 March 2026	177	217	721	3	972	2,090
Depreciation						
At 1 April 2025	80	207	374	72	679	1,412
Charged in year	48	2	144	-	133	327
Released on disposal	(17)	-	(367)	(69)	(70)	(523)
At 31 March 2026	111	209	151	3	742	1,216
Net book value						
At 31 March 2026	66	8	570	-	230	874
At 31 March 2025	35	2	5	-	18	60

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

15. Investment properties: non social housing properties held for letting

	Completed investment properties £'000	Investment properties under construction £'000	Total £'000
Cost			
At 1 April 2025	5,085	-	5,085
Additions	210	-	210
Cost at 31 March 2026	5,295	-	5,295
Revaluation/(impairment)			
At 1 April 2025	(569)	-	(569)
In year revaluation	(210)	-	(210)
Revaluation at 31 March 2026	(779)	-	(779)
Carrying value			
As at 31 March 2026	4,516	-	4,516
As at 31 March 2025	4,516	-	4,516

Investment properties were valued as at 31 March 2026 at their open market value based on an independent valuation by Rupert David & Co Chartered Surveyors. The valuation was carried out in accordance with the RICS Valuation - Global Standards 2017 and the UK National Supplement (The Red Book). No allowance has been made for the liability of taxation that may arise on disposal and no alteration has been made to reflect the costs of selling. All valuation figures are exclusive of VAT.

If investment properties had been accounted for under historical cost accounting rules, the property would have been measured as follows:

	2026 £'000	2025 £'000
Historic cost	5,294	5,084
Accumulated depreciation and impairment	(454)	(394)
	4,840	4,690

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

16. Stock

	31 March 2026 £000	31 March 2025 £000
Raw materials and consumables	<u>59</u>	<u>49</u>

17. Properties held for sale

	31 March 2026 £000	31 March 2026 £000	31 March 2026 £000	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000
	Completed properties	Land and properties under construction	Total	Completed properties	Land and properties under construction	Total
Shared ownership properties	168	2,387	2,555	152	1,530	1,682

18. Debtors

	31 March 2026 £000	31 March 2025 £000
Due within one year		
Rent and service charges receivable	854	527
Less: provision for bad and doubtful debts - rents	<u>(189)</u>	<u>(228)</u>
	<u>665</u>	<u>299</u>
Trade debtors	72	107
Other debtors	244	152
Prepayments and accrued income	98	115
Amounts due from group undertakings	<u>27,092</u>	<u>10,181</u>
	<u>28,171</u>	<u>10,854</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

	31 March 2026 £000	31 March 2025 £000
19. Creditors: amounts falling due within one year		
Trade creditors	817	631
Rent and service charges received in advance	1,437	992
Amounts owed to group undertakings	775	151
Other taxation and social security	76	67
Other creditors	232	163
Accruals and deferred income	2,585	2,892
Deferred capital grant (note 21)	142	121
Right to Buy receipts due to Daventry District Council	867	471
	<u>6,931</u>	<u>5,488</u>

20. Creditors: amounts falling due after one year

	31 March 2026 £'000	31 March 2025 £'000
Inter company loan	142,579	112,933
Deferred capital grant (note 21)	13,683	11,549
Recycled capital grant fund (note 22)	-	-
	<u>156,262</u>	<u>124,482</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

21. Deferred capital grant

	31 March 2026 £000	31 March 2025 £000
At 1 April	11,670	8,533
Grant received in the year	2,403	3,248
Grant recycled to the RCGF	(107)	-
Released to income in the year	(141)	(111)
	<u>13,825</u>	<u>11,670</u>
Amounts to be released within one year	142	121
Amounts to be released in more than one year	13,683	11,549
	<u>13,825</u>	<u>11,670</u>

22. Recycled capital grant fund

	31 March 2026 £'000	31 March 2025 £'000
At 1 April	-	52
Inputs to RCGF:		
Grant recycled from property disposals	107	-
Grant transferred to other Group Companies	(110)	(54)
Interest accrued	3	2
Balance at 31 March	<u>-</u>	<u>-</u>

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

23. Debt analysis

	2026	2025
	£000	£000
Due within one year		
Bank loans: Futures Finance Limited	-	-
	2026	2025
	£000	£000
Due after more than one year		
Bank and other loans: Futures Finance Limited	44,933	15,000
Bond debt: Futures Treasury PLC	97,646	97,933
	142,579	112,933

Based on the lenders' earliest repayment date, borrowings are repayable as follows:

	2026	2025
	£000	£000
Between one and two years: Futures Finance Limited	-	-
Between two and five years: Futures Finance Limited	-	-
After five years: Futures Finance Limited	44,933	15,000
After five years: Futures Treasury PLC	97,646	97,933
	142,579	112,933

The gross amount of debt is £142.6m (2025: £112.9 million).

Funding is provided through two treasury companies, Futures Treasury PLC capital bond finance and Futures Finance Limited bank debt.

Futures Homeway Limited has entered into an intra-group loan agreement which sets out the basis of the loan charges and any conditions attached to them. A cross guarantee structure has been put in place and loans are secured on properties held by Futures Homeway Limited and are charged to a security trustee. The WACC is 4.03%.

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

24. Financial commitments

	Approved and contracted for		Approved and not contracted	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Expenditure on the acquisition/construction of housing properties	50,871	28,069	18,014	38,821
Repairs partnering contracts	-	-	8,514	7,067
Acquisition of other fixed assets	-	-	537	946
Total	50,871	28,069	27,065	46,834
Financed by:				
Borrowings	33,328	25,666	13,933	26,766
Committed grant	17,543	2,403	4,081	12,055
Operating surpluses	-	-	9,051	8,013
	50,871	28,069	27,065	46,834

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

25. Operating leases

The payments which the company is committed to make in future years under operating leases are as follows:

	31 March	31 March
	2026	2025
	£000	£000
Land and buildings		
Due to expire: within one year	74	89
Due to expire: one to five years	-	356
Due to expire - more than five years	-	178
	<u>74</u>	<u>623</u>

Prior year commitments assumed a longer-term lease based on a draft agreement; following a change in landlord, the Company has entered into a shorter extension to 31 January 2027, which is reflected in the current year disclosure.

26. Contingent liabilities

There are no contingent liabilities to disclose at 31 March 2026 (2025: £nil).

27. Related parties

The company has taken advantage of the exception available under FRS102 from disclosing transactions with other wholly owned members of the Group headed by Futures Housing Group Limited.

The Group executive directors are considered to be the key management personnel of the company, who are remunerated by Futures Housing Group Limited.

28. Ultimate parent company

The company's immediate and ultimate parent company and controlling party is Futures Housing Group Limited. The consolidated financial statements can be obtained from the Group's registered office:

Futures House
 Building 435, Argosy Road
 Castle Donington
 DE74 2SA

Futures Homeway Limited
Year Ended 31 March 2026

Notes to the financial statements (continued)

29. Post statement of financial position events

The Group's view is that there are no disclosures or post balance sheet events that require the amounts in the accounts to be adjusted.