

Celebrating 30 years

Annual Review & Accounts 2005/06



Our Mission Statement

Providing the best housing care and support to those in need of such services.

www.foldgroup.co.uk

Registered Office

FOLD House
3 Redburn Square
Holywood
BT18 9HZ

Tel: (028) 9042 8314

Fax: (028) 9042 8167

Bankers

Bank of Ireland
82a Main Street
Bangor
BT20 4AE

Solicitors

Wilson Nesbitt
33 Hamilton Road
Bangor
BT20 4LF

Internal Auditors

PricewaterhouseCoopers
Waterfront Plaza
8 Laganbank Road
Belfast
BT1 3BN

External Auditors

PricewaterhouseCoopers
Waterfront Plaza
8 Laganbank Road
Belfast
BT1 3BN

Registrations, Affiliations & Memberships

- Registered under the Industrial and Provident Societies Act (NI) 1969 - number IP169 on 9/8/79
- Registered under the Housing (NI) Order 1992 - number RI on 14/12/76
- Registered with the Inland Revenue for charitable status - number XN 48778 on 1/8/89
- Registered with the Fair Employment Commission - number 499 on 6/2/90
- A Member of the Northern Ireland Federation of Housing Associations
- Registered under the Data Protection Act
- A Corporate Member of Age Concern (NI)
- A Corporate Member of Disability Action
- The FOLD Group is comprised of FOLD Housing Association and FOLD Housing Trust
- A Member of the Northern Ireland Council for Voluntary Action
- Member of the Work Foundation

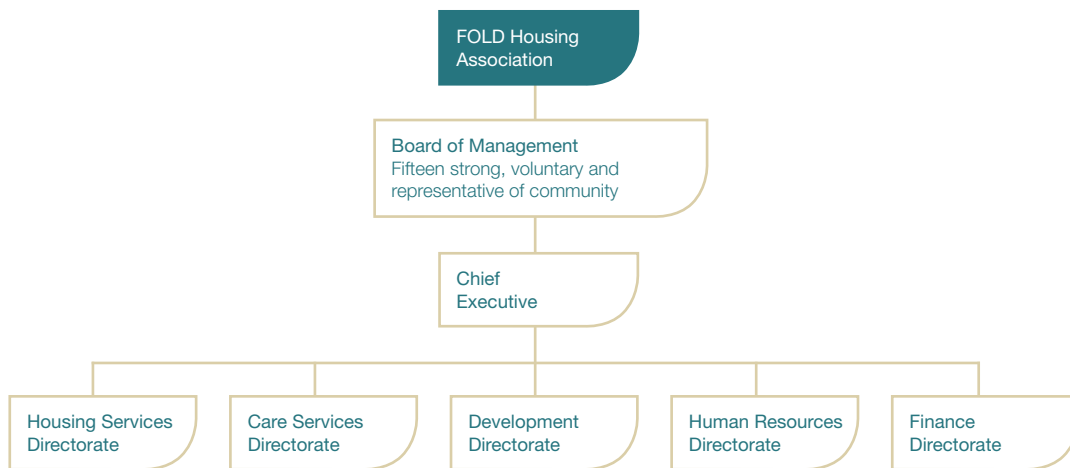


Board of Management

| | | | | |
|-----------------------------------|--|------------------|-----------------|--------------------|
| 1 William Cameron OBE Chairman | 2 Christopher Murdock Vice-Chairman | 4 Alice Quinn | 8 Aileen Graham | 12 George Graham |
| | 3 Colin McLean Treasurer | 5 Judith Simpson | 9 Brendan Henry | 13 Robin Holliday |
| | | 6 Joan McCrum | 10 Anne Harper | 14 Arthur Halligan |
| | | 7 Paddy McLroy | 11 John Fivey | 15 Fee Ching Leong |

| | |
|--|--|
| Chair | William Cameron OBE MRICS Chairman of Business Development Committee |
| Vice Chairman | Christopher Murdock MIHM DipHSM MCMl Chairman of Care Services Committee Chairman of the Audit Committee |
| Treasurer | Colin McLean MIB Chairman of Finance Committee |
| Members | Alice Quinn Judith Simpson BSc SocSc CQSW MSW Joan McCrum BA Hons Paddy McLroy ISO Aileen Graham OBE BSc Hons M.Ed Brendan Henry Dip Soc Admin, Chairman of Housing Committee Anne Harper Tenant Representative John Fivey Tenant Representative George Graham Tenant Representative Robin Holliday BSc (Pharm) Chairman of Human Resources Committee Arthur Halligan FCCA Fee Ching Leong MCIPD Bsc Hons DSM |
| Company Secretary & Chief Executive | John McLean |

FOLD Group Structure



The diagram above shows the FOLD Group Structure and Governance at 31st March 2006

FOLD Committees

| | Audit | Business Development | Finance | Housing | Governance | Care Services | Human Resources |
|-----------------|-------|----------------------|---------|---------|------------|---------------|-----------------|
| William Cameron | ● | Chair | ● | ● | Chair | ● | ● |
| Colin McLean | ● | ● | Chair | ● | ● | | |
| Robin Holliday | ● | | | ● | | | Chair |
| Chris Murdock | Chair | ● | | | ● | Chair | ● |
| Judith Simpson | | | | | | ● | |
| Brendan Henry | | ● | | Chair | ● | ● | |
| Fee Ching Leong | | | | | | | ● |
| Anne Harper | | | | | | ● | |
| John Fivey | | | | ● | | | |
| George Graham | | | | ● | | | |
| Aileen Graham | | | ● | | | | ● |
| Paddy McIlroy | | ● | | | | ● | |
| Joan McCrum | | | | | | | ● |
| Arthur Halligan | ● | | ● | | | | |
| Alice Quinn | | | | | | | ● |
| Jack Burnett | | | | ● | | | |

Key ● attends the sub Committee

Committee Structure

The above diagram shows the Committee structure in place from 1st April 2006. FOLD now has the following subcommittees; Audit, Governance, Business Development, Finance, Housing, Care Services and Human Resources.

Recruitment and Selection Procedures for Board Members

FOLD aspires to maintain a balance of Board Members who are representative of all sections of the local community. New members are recruited by a process of election from the tenant body, through public advertisement and by direct recruitment where skills shortages cannot be met through public advertisement.

FOLD will be pleased to receive expressions of interest from readers of this Review.

The details of persons responding will be held on a Register for future consideration. No remuneration other than travelling expenses is payable to Board Members.



FOLD Management Team

1. Senior Management Team (Seated L-R)

Eileen Patterson, New Director of Housing;
Marie Pickles, Director of Human Resources.
(Standing L-R) John McLean, Chief Executive;
Moyra Armstrong, New Director of Development;
Eileen Askham, Director of Care Services,
Trevor Dillon, Director of Finance

2. Anita Conway Director of Development 3. Liam Flanigan Director of Housing

Senior Management Team

Chief Executive
Care Services Director
Finance Director
Housing Director
Director of Development
Human Resources Director
New Director of Development
New Director of Housing

Mr J McLean BEng MSc DipM MBA CEng MIEI
Mrs E Askham BA (Hons) Bus Studies MCIPD
Mr T Dillon B Com (Hons) ACMA
Mr L C Flanigan BA DMS Dip Housing
Miss A Conway MSC BA (Hons) MCIH
Mrs Y M Pickles FCIPD Dip Ism
Mrs M Armstrong PG Dip MAPM ACIOB
Mrs E Patterson MSc PG Dip MCIH

Housing Directorate

Director of Housing
Area Housing Manager
Area Housing Manager
Area Housing Manager
Area Housing Manager
Area Housing Manager
New Director of Housing

Mr L C Flanigan BA DMS Dip Housing
Mrs N S McCoy BSc (Hons) MCIH
Mr C Muldoon MSSC BA (Hons)
Mr K J C Cranny BSc (Hons) PG Dip MCIH
Mrs B Doherty Dip Housing MCIH
Mr M Magee BSc (Hons) MCIH
Mrs E Patterson MSc PG Dip MCIH

Development Directorate

Director of Development
New Director of Development
Development Manager

Miss A Conway MSC BA (Hons) MCIH
Mrs M Armstrong PG Dip MAPM ACIOB
Mr D Erskine BSc (Hons) MCIH

Care Services Directorate

Director of Care Services
Care Services Manager
Care Services Manager

Care Services Manager
Care Services Manager
Executive Director of Telecare

Mrs E Askham BA (Hons) Bus Studies MCIPD
Mrs H Irwin BA (Hons) Bus Studies RGN
Mr G Morris BA (Hons) Public Policy & Management
Cert CIH HNC Public Administration
Mrs R Smith CSS Cert CIH PG Dip Mgt
Mr D Jamison Dip ISM
Mr K McSorley BA (Hons) MBA

Human Resources Directorate

Human Resources Director
Human Resources Manager
Corporate Services Manager

Mrs Y M Pickles FCIPD Dip Ism
Mrs S Bickerstaff Grad CIPD
Mrs H Harper BSc (Mgmt)

Finance Directorate

Finance Director
Finance Manager
IT Manager
Finance Officer

Mr T Dillon B Com (Hons) ACMA
Ms J Craig BSc (Econ) ACMA
Ms K Cronin MSc (ED) PGDip BSc
Ms J Curran IPPM



Strong financial performance, underpinned by exceptional development performance, further advancements in our quality systems and the continued commitment and dedication of our staff.

Chairman & Chief Executive's Review



William Cameron OBE
Chairman



John McLean
Chief Executive

2005/06 proved to be a successful year for FOLD on many fronts. Strong financial performance was underpinned by exceptional development performance, further advancements in our quality systems and the continued commitment and dedication of our staff.

We achieved a surplus of £1.3m after transfer of designated reserves, well in excess of our 3% target. This was due mainly to new developments coming under management earlier than forecast; savings achieved on expenditure through more efficient working methods; and additional income arising from stock market gains and high cash reserves. We decided some year's earlier to move out of the equity market thereby releasing funds to invest in the development programme. This withdrawal has now been completed without any loss of capital. Our Balance Sheet shows the Association to be in a strong financial position.

Our financial highlights included:

Turnover increased by 18% to £21m

Fixed Assets increased by £26m to £188m

Overall operating surplus (after transfer to designated reserves) £1.3m

We had an outstanding year in development. 11 projects were completed providing 317 dwellings and at the year end there were 330 dwellings under construction on eleven sites. Our Housing Association Annual Grant allocation from the Department of Social Development was set at £15.3m. However we managed to draw down £19.6m in grants. In the last three years, we have commenced over 750 new dwellings against a target of 600.

Improving the efficiency of the organisation has been a key theme throughout the year and will continue in 2006/07. We continue to work with fellow associations on reducing procurement costs for products and services and to demonstrate that we provide Best Value.

Delivery of Housing and Care services has been maintained to the expected high standard. Targets set for lettings, control of voids and maintenance have all been met. We continued to invest in the maintenance and renewal of our housing stock. Over £3m being invested during the year. Rent collection and arrears management is an area of vital importance, particularly as our proportion of general needs family housing has increased. At the year end our total

arrears were 5.9% of rental income. However, when the substantial technical arrear of housing benefit is deducted, our actual arrears were 1.82% - within our business plan target set of 2%. We are committed to making sure our residents have a say in how we deliver our services. Four Tenant Focus Groups were set up and they will report to the Annual Regional Tenant Forums.

In the year we completed and commissioned four supported housing projects providing 90 apartments: Our four Day Care Centres provided 15,600 day care places.

Our Staying-Put project assisted 880 clients to complete work to tailor their homes at a cost of £6m. Currently the unit is handling around 2,500 cases at different stages in the grant process. Staying Put achieved the standards of service set by the Housing Executive.

A computerised case management system has recently been introduced and the Housing Executive has provided a read only facility to their computer management system. These innovations will improve efficiency and greatly help the administration of the scheme.

Our TeleCare service became the first service in Ireland to be independently certified as meeting all the requirements of the Telecare Services Association's Code of Practice for both call handling and alarm installation operations.



1 President Mary McAleese officially opens Corpus Christi, West Belfast



2 William Cameron; Chairman of FOLD and Brian Rowntree; Chairman of NI Housing Executive, Handover keys to resident S Lambe at Roden Street, Belfast

Incoming calls throughout the year exceeded 260,000 and 115,000 'good morning' calls were made.

With a staffing complement of over 700, our HR Directorate continues to remain busy. During the year a revised attendance management procedure was put in place. By year end the sickness absence rate improved by 1.45%. We introduced 360° appraisals for senior and middle managers, along with a Management Development programme for 30 managers. We launched a staff suggestion scheme 'Bright Ideas' and by year end almost 50 staff proposals had been reviewed by the evaluation committee. We delivered over 5000 hours of training and development which represents an investment of around £300K. We enrolled on the EFQM Steps to Excellence Programme and were awarded the Gold Level. More recently we were successfully re-accredited with the Investors in People Award.

Business in the Community presented FOLD with the Charter for Corporate Social Responsibility. We are committed to an action plan aimed at protecting the environment, ensuring equality and diversity in our workplace and supporting the community. FOLD is the first not for profit organisation in Northern Ireland to take this step.

Our sister association FOLD Ireland progressed its first two major supported housing projects to: completion in

the case of Cherryfields (56 units) at Blanchardstown, Co. Dublin; and a start on site of Anam Cara (59 units) at Glasnevin, Co.Dublin. We continue to leverage efficiencies in our core organisation through supporting FOLD Ireland under a service level agreement.

To mark our 30th Year we invited all our housing and care schemes to mark the occasion with a special event. The events included family fun days, luncheon clubs, dinner dances and other special events. In addition we nominated Habitat for Humanity as our chosen charity and staff, residents and stakeholders assisted in fundraising. Our celebrations were supported by the Minister for Social Development, Members of Parliament, local businesses, the PSNI, the clergy, local regiments, councillors, mayors and community groups. FOLD is very grateful for all their support and for the marvellous efforts of our residents in fundraising.

FOLD continues to be indebted to the voluntary members of the Board, all of whom continue to play a substantial part in helping to achieve this year's impressive results. Along with the management of FOLD they have ensured the delivery of our key business plan objectives:

- _____ Growth
- _____ Performance Management
- _____ Quality
- _____ User focus

Asset management

Efficiency

Staff development

Communication

We were greatly saddened during the year with the loss of two former Board Members and friends of FOLD, Fee Ching Leong and Robert Brotherston. Fee Ching Leong had served on our Human Resources Sub-Committee and greatly advanced our appreciation and knowledge of ethnic issues and equality. Robert Brotherston was previously a Tenant Representative and had contributed fully during his time in office.

We thank George Graham for his contribution as a Tenant Representative and welcome Jack Burnet, who replaces him.

We also pay tribute to our Directors Anita Conway and Liam Flanigan, both of whom left us for new jobs during the year. The new Directors of Housing Services and Development are Eileen Patterson and Moyra Armstrong respectively.

In conclusion, our thanks to our stakeholders, the DSD, the Housing Executive, our voluntary and statutory partners, our residents and their representatives on the Board and FOLD Residents Forum Groups for their continued support of FOLD.



Outperforming challenging targets by delivering high quality homes for people in need.

Development Report



Anita Conway
Director of Development

The Development Directorate achieved a high level of performance in 2005. We exceeded the Housing Association Grant (HAG) target set by the DSD at £15.3m for 2005/06. The DSD have increased our HAG allocation in 2006/07 signifying their continued confidence in FOLD's ability to consistently meet and exceed challenging targets.

2005/2006 Review

Our focus during the year continues to be the delivery of high quality homes for people in need within areas of intensive housing stress and high demand. We have focused on identifying sites in the areas of greatest need and have worked in close partnership with local communities to ensure our proposed schemes meet their specific lifestyle requirements.

Eleven projects were completed during the year. These completions represent an additional 317 units of social housing coming on line during the year.

Eleven schemes were completed including four supported housing schemes. Our supported housing provides high quality housing solutions for specialist client groups. The supported housing developments

included a 46 unit residential home for frail and elderly people in Bangor; the first phase of a specialist housing development for people suffering from dementia in Coleraine providing 33 properties; 10 units of self-contained housing for young people leaving care in Londonderry; and 1 unit for people suffering from learning disabilities in Lisburn.

Our largest general needs development completed in the year was at Foxes Glen, Stewartstown Road. The second phase of Springfield Road and Eden Phase 2 in Carrickfergus added a further 91 properties to the existing schemes. The final phase of a general needs development at Forkhill saw the completion of 8 new timber frame homes. An innovative partnership with the diocese of Corpus Christi enabled FOLD to provide a further 21 properties. This scheme was opened by the President of Ireland, Mary McAleese.

All new build properties were developed to secure-by-design, eco homes and lifetime homes in accordance with our commitment to innovation, safety and sustainability.



1. Patricks FOLD, Armagh
 2. The Brook, Housing with Care Scheme, Coleraine
 3. Roden Street, South Belfast

4. S Clelland, D Hodgson, G Haddock; Crime Prevention Officer, S Pearson; Architect NIHE
 5. Roden Street, South Belfast

Completed Schemes 2005-2006

| Scheme | No of Units |
|------------------------|-------------|
| Stewartstown Road | 71 |
| Sliabh Dubh Phase II | 60 |
| Sunnyside | 46 |
| Forkhill Phase 2 | 8 |
| Frances Street | 10 |
| Cloverhill - Prospects | 1 |
| Northwick Drive | 1 |
| Eden Phase II | 31 |
| Corpus Christi | 21 |
| Rosnagalliagh Phase II | 35 |
| Brookgreen | 33 |
| Total | 317 |

On-Site Schemes

| Scheme | No of units |
|----------------------------|-------------|
| Castlereagh | 79 |
| Springfield Road Phase III | 64 |
| Roden Street | 26 |
| Morning Star | 17 |
| Banbridge | 24 |
| Brookgreen Phase II | 28 |
| Barnhalt Cottages | 26 |
| Westrock | 14 |
| Iris Close | 4 |
| Torrens Rehabs | 14 |
| Torrens Phase 2 | 34 |
| Total | 330 |

Our achievements in 2005/06 were testament to the work undertaken in the last three years during which our focus has been to get new schemes under construction. In 2005 we managed to get new projects comprising 330 units of accommodation to construction stage. This included 79 properties at Castlereagh Road, a successful project negotiated in partnership with the Carville Group and NIHE.

The Development Team continued to manage construction projects for FOLD Ireland under a service level agreement. Two large supported housing schemes for people with dementia and the frail and elderly were under construction, namely Cherryfields (59 units) and Anam Cara (56). Furthermore the directorate provided development and clerk of works services to other housing associations in Northern Ireland. Development staff continue to play a key role in shaping

future policy in the sector. The Director contributed to the drafting of NIHE's new policy for awarding transfer schemes as part of NIFHA Tripartite group.

2006/2007 Preview

During 2006/2007 we expect to complete 269 new units with an additional 158 properties going on site.

We hope to complete some of our most imaginative and exciting projects. Barnhalt Cottages in Carrickfergus is a high quality, innovative supported housing scheme for a frail older client group which has been designed to offer residents maximum support opportunities in an environment that is non institutional, while maximising the use of TeleCare technology. This non-obtrusive technology will maximise the independence of the residents within the scheme. Our proposed development on the Skeoge Road in Londonderry should, when completed, be our largest investment in new housing. In the latter part of 2006 we plan to complete our Torrens development in North Belfast. This scheme represents FOLD's continuing commitment to the North Belfast Strategy.



Better affordable homes in sustainable communities.

Housing Services Report



Eileen Patterson
Director of Housing

The Housing Services Directorate continues to be committed to providing the best available services in housing management and maintenance for our residents.

In the year we took an additional 276 new homes into management bringing our total housing stock to 3778. All new properties were general needs accommodation, spread across eight locations:

| Scheme | No of units |
|----------------------------|-------------|
| Sliabh Dubh Phase 1 | 71 |
| Forkhill | 8 |
| Eden, Carrickfergus | 9 |
| Stewartstown Road, Belfast | 71 |
| Sliabh Dubh, Phase 2 | 60 |
| Rosnagaliagh, Derry | 35 |
| Corpus Christi, Belfast | 21 |
| Northwick Drive, Belfast | 1 |
| Total | 276 |

A further 159 new general needs homes will come into management in 2006/07.

Partnership Working

We meet social housing needs and reduce homelessness in Northern Ireland through partnerships with the Department for Social Development and the Housing Executive. We also partner voluntary, statutory and community organisations. Partners include:

Northern Ireland Housing Executive:

We work with the Housing Executive to ensure the availability of decent affordable homes in sustainable communities. We help to deliver their strategies for West Belfast, North Belfast and Derry and the Sectoral Studies in Lisburn and South Belfast.

Health & Social Services: We provide a broad range of support services for our residents with our partners in Health and Social Services. We recently participated in the Housing Working Group for the Eastern Health and Social Services Healthy Ageing Plan.

Housing Rights: FOLD provides a Debt Counselling Service in partnership with Housing Rights Service. This offers independent advice to our residents experiencing housing debt problems and enables them to resolve their debt problems themselves.

ERoSH

FOLD is a member of ERoSH Northern Ireland. This group raises awareness, understanding and knowledge of sheltered housing and promotes best practice among housing providers.

Other Housing Associations

We partner other Housing Associations in Northern Ireland and are represented on the Federation of Housing Association's Professional Practice Committee. Through benchmarking, joint working and partnering arrangements we have



1 President Mary McAleese meets some of the children who live at the new Corpus Christi development



2 David Hanson, Minister for Social Development with Mrs Nessie McNamee and Mrs Kay Cowan of St Paul's FOLD



3 Tenants at Sliabh Dubh general needs

achieved efficiencies in maintenance, IT, telecoms and general procurement e.g. heating oil.

Resident Participation

Our residents help to shape and influence the housing services which we offer and we regularly consult with them. We engage with our residents through:

- Individual resident communications;
- Sheltered scheme resident's committees;
- General needs residents and community groups;
- Resident focus group;
- Leaseholder focus group;
- Sheltered supervisors' forum;
- Regional housing forums.
- Tenant Representation on Board

We recently established four tenant focus groups. These make recommendations for change and service improvements.

The focus groups monitor:

- Tenant's Newsletter;
- Repairs and maintenance;
- Sheltered accommodation;
- General needs accommodation; and
- Community Initiatives

The Housing Services Directorate continues to engage with community groups including:

St.Paul's FOLD, Canning Place Belfast:

In partnership with the local community, NIHE, NIE and the Creating Common Ground Consortium, we have helped landscape the area of Canning Hill. This includes pathways, railings, a seated area, shrubs and artwork creating a pleasant public space for use by the local community. FOLD residents helped to produce the artwork. The official opening took place in March 2006.

Brookmount Resident's Association, Omagh:

The Resident's Association at Brookmount Heights in Omagh has been helping to develop the youth of the area and promote sporting activities. We have supported their efforts by sponsoring the Brookmount Rovers Football Club.

Wheatfield, North Belfast:

We provided high quality lifetime homes in the area and commenced a monthly advice surgery. We have received very positive feedback from the local community on this service. We supported local residents who run a successful garden centre business by allowing them to adopt FOLD land adjacent to one of our properties.

Sliabh Dubh, Springfield Road, West Belfast:

Sliabh Dubh is a family Housing Development in West Belfast comprising 195 homes. Local school children chose the name for the development. A community fun day

was held to celebrate the naming of the Scheme and the commencement of this much-needed housing development.

Community involvement has continued with the creation of an Art Mosaic. The Mosaic Project was a partnership with Sliabh Dubh residents and the Upper Springfield Development Trust. FOLD provided funding for the project.

Performance in 2005/06

Investing in our stock

We are committed to a continuous programme of modernising and improving our stock with over £3 million invested during the year.

Response repairs accounted for an expenditure of £760,000; cyclical repairs £868,000; and major repairs and improvements over £1.5 million.

During the year the Housing Management Teams achieved performance levels of:

Housing Management

| | |
|--|-------|
| Rent arrears of rent receivable | 1.82% |
| Void of stock | 1.6% |
| Re-let of accommodation in less than 2 weeks | 81% |

* figure is after estimated technical arrears have been deducted

There were 685 allocations comprising 219 lettings of new accommodation and 466 re-lets of existing accommodation.



4&5 Residents of Sliabh Dubh, Springfield Road, Belfast

Housing Maintenance

In 2005/06 we dealt with over 6,000 requests for repairs. The repair response times are detailed below.

Response Category DSD Target Result

| | | |
|-------------------------------|-----|-----|
| Emergency Response (24 hours) | 85% | 97% |
| Urgent Response (4 days) | 80% | 87% |
| Routine Response (4 weeks) | 80% | 90% |

Innovation and Modernisation

We achieved the CSHS Code of Practice for Sheltered Housing demonstrating our commitment to good practice, continuous improvement and the delivery of a quality service.

In partnership with the Environmental Health Department of North Down Borough Council, we developed a Hazard Analysis procedure to ensure a consistent approach to the provisions of Food safety Legislation. This is the first time that a Hazard Analysis has been drawn up in Northern Ireland specifically for use in Sheltered Housing Schemes and it provides guidance on food handling and highlights good practice.

We developed a Sheltered Housing IT Strategy and introduced computers to 5 of our sheltered schemes. Following a review of this pilot we intend to network a further 20 sheltered schemes and roll

this programme out until all of our schemes are networked. This will improve how we interact with our scheme staff and provide internet access for our residents.

We have invested in systems which will enhance our performance monitoring and improve our facilities for reporting on performance achieved. They will also assist with our rents and arrears management.

New Lettings Profile

| | |
|--------------|---------|
| New Lettings | 685 |
| 1st time | 219 32% |
| Relet | 466 68% |
| Days Void | 34 |

New Tenants' Gender

| | |
|--------|-------|
| Male | 38.5% |
| Female | 61.5% |
| Total | 100% |

Household Type %

| | |
|----------------------|-------|
| Older Single | 41.5% |
| Older Couple | 9.8% |
| Single Adult | 13.2% |
| Couple | 1.3% |
| Single Parent Family | 28.9% |
| Couple Parent Family | 3.5% |
| Others | 1.8% |
| Total | 100% |

New Tenant Ethnic Background %

| | |
|-----------------|-------|
| White | 99.6% |
| Chinese | 0.5% |
| Irish Traveller | 0.3% |
| Black African | 0.1% |
| Total | 100% |

New Tenant Community Background %

| | |
|--------------------|-------|
| Protestant | 43.9% |
| Roman Catholic | 53.1% |
| Mixed | 0.3% |
| No religion stated | 2.7% |
| Total | 100% |

New Tenants with Disabilities %

| | |
|--------------------------------------|-------|
| Head of household with disability | 27.3% |
| Head of household without disability | 72.7% |
| Total | 100% |

Previous Tenure of Tenant Tenant Type %

| | |
|-------------------------|-------|
| NIHE tenant | 25.0% |
| Fold transfer | 8.8% |
| Other association | 6.3% |
| Private rented | 13.7% |
| Owner | 17.6% |
| With family/friends | 18.1% |
| Supported accommodation | 7.6% |
| Institutional Care | 0.1% |
| Other | 2.8% |
| Total | 100% |



Making a difference to peoples' lives.

Care Services Report



Eileen Askham
Care Services Director

The Care Services Directorate manages FOLD's diverse range of housing, care and support services including all Special Needs housing provision; the Day Care Services; Staying Put Service and TeleCare.

Housing-with-Care & Supported Housing

Knock Eden, in Portadown, our innovative supported housing scheme for people with learning disabilities, reached the final of the UK Housing Awards in London for excellence in care and support solutions.

We received handover in August 2005 of the first phase of The Brook, a supported housing development in Coleraine for people diagnosed with dementia. This innovative and creative scheme, both in building design and care practices, is jointly managed with Causeway Health & Social Services Trust.

Francis Street, Londonderry was completed in November 2005 and will provide accommodation and support for 10 vulnerable young people leaving care when allocations commence in June 2006. We are working in partnership with First Housing Aid and Support Services in the management of housing and support services for this client group.

Sunnyside House in Bangor, developed in partnership with The Presbyterian Board of Social Witness was handed over in July 2005. This scheme provides 45 units of accommodation for frail older people.

Working in partnership with Prospects, we received the handover of Cloverhill in December 2005, providing accommodation for adults with learning disabilities.

Through the sheer hard work and dedication of the Nightingale parents group, the Lodge was able to procure a people carrier to facilitate outings and transport to other social events.

Cherryfields Housing-with-Care, Clonsilla, Dublin was handed over in April 2006. This innovative new scheme offers 56 units of accommodation for single older persons and three bungalows to enable couples in need of care and support to maintain their independence. We look forward to Mary McAleese, President of Ireland, officially opening the scheme in October 2006.

Seven Oaks continues to attract recognition as a centre of excellence in dementia care and has now received over 2000 visitors to the scheme since it opened in 2001.



1&2 Clients at Millbrook Day Care Centre, Bangor enjoying the activities

**Management of Supported Housing
Summary of Lettings by Client Group**

| Client Type | Number |
|--|--------|
| Young People/Teenage Parents | 16 |
| Homeless Families | 46 |
| Learning Disabilities | 391 |
| Older People with Mental Health Issues | 72 |
| Older People with Support Needs | 74 |
| Women at Risk of Domestic Violence | 1 |
| Irish Travellers | 2 |
| Other Households | 7 |

| Gender - All Lettings | Number |
|-----------------------|--------|
| Male | 226 |
| Female | 383 |

| Community Background - All Lettings | Number |
|--|--------|
| Protestant | 326 |
| Catholic | 270 |
| Neither of above/ other or no religious belief | 13 |

Voids

We achieved 97.6% occupancy against our target of 97%.

Arrears

We achieved arrears of 3% within target.

Day Care

Our dedicated team of staff provides a safe, manageable and comfortable environment, as well as a caring and relaxed atmosphere, therapeutic activities and social stimulation. We are monitored by local Health & Social Services Trusts and delivered over 15,600 day care places in the year. Staff fundraising in the year included car boot sales, sponsored walks and bingo evenings raising in excess of £4000.

Staying-Put

Staying-Put is a vital means tested service for thousands of home occupiers who require adaptations to help cope with physical disability and reduced mobility. During the year their performance included:

Staying-put case workload during 2005-2006

| | |
|--|----------------------------------|
| Bath to shower adaptations | 116 |
| Number of cases managed | 2508 |
| Referrals from NIHE | 1560 |
| Grant applications to NIHE | 1041 |
| Completed cases | 879 |
| Completion of visits within three weeks of initial contact | 89% |
| Turnover | £5.9m (£5.5m grant aided) |

The corresponding Staying-Put customer survey recorded:

Customer Survey

| | |
|---|-----|
| Percentage of clients satisfied with help and support given | 96% |
| Percentage of clients more easily managing within their homes | 98% |
| Percentage of clients who would have found it more difficult to process without FOLD help | 89% |
| Percentage of clients who would recommend the Staying-Put service | 96% |

Our partners include:

- Mencap
- First Housing Aid and Support Services (FHASS)
- Presbyterian Board of Social Witness
- Health & Social Services Trusts
- Northern Ireland Housing Executive (NIHE)
- Novas
- Prospects

Quality

In July 2005 FOLD became the first TeleCare service in Ireland, and one of a select number throughout the UK to be independently certified as meeting all the requirements of the Telecare



3 Loughview celebrates 30th Anniversary of FOLD attended by David Hanson Minister for Social Development, William Cameron; Chairman of FOLD and a resident Mrs Eva Harrison



4



5

4 Resident of Knock Eden, David Canning
5 Lady Sylvia Hermon; MP joins in the 30th Anniversary celebrations at Millbrook Court, Bangor

Services Association Codes of Practice for both calls handling and alarm installation operations.

The number of incoming calls received throughout the year exceeded 260,000 with an improving performance average of 95.04% of all calls being answered within sixty seconds.

Our call advisers are regarded as being among the best trained and experienced in the industry. In a recent survey 94% of clients described their service as very good and 6% as fairly good.

TeleCare

In 2005/06 we achieved 5% growth with the number of households supported by FOLD TeleCare increasing to 17,536. Almost 7,500 of our service users are residents of sheltered or supported housing schemes. We welcomed the extension of TeleCare services into our new supported housing developments at The Brook in Coleraine and Knock Eden in Portadown. The demand for FOLD's "Good Morning Call" service increased with over 115,000 outgoing calls made as an integral part of housing support plans.

Our innovative TeleCare service model continues to be embraced by our partners in health and social services throughout the Western, Northern and Southern Boards.

Leading the Way

We were delighted to welcome Jeremy Porteus from the Department of Health in England as the keynote speaker to our annual conference at the Culloden in October 2005. This was attended by over 150 delegates from the housing, health and social care sectors. We continue to champion TeleCare technology by taking a leading role in the Telecare Service Association. We are determined to see the political and funding support for Telecare developed in the rest of the UK being reflected by decision-makers in Northern Ireland.

Through Partnerships

Our success is closely linked to strong partnerships and joint working arrangements with local government and voluntary agencies.



Strong financial performance and more efficient working methods.

Finance Report



Trevor Dillon
Finance Director

Review of Financial Performance 2005/06

The strong financial performance of recent years has been maintained in the current year with a surplus of £1.3m (2005: £0.7m) after transfers to designated reserves.

The results show not only a significant increase in surplus compared to last year but also show FOLD exceeding its financial targets for the year across its range of activities.

This is due to a number of factors but the following are worthy of highlighting:

New developments being completed ahead of schedule and coming under management earlier than forecast

Additional income arising from stock market gains and high cash reserves

Savings achieved on expenditure through more efficient working methods

An 18% increase in turnover is indicative of a significant programme of scheme completions during the year together with expanded activity on TeleCare and Staying Put services.

Alongside this, FOLD's operating costs have increased by 12%. This lower than expected increase is due to a number of factors:

Savings on our major repairs programme

Staffing levels remaining steady as new schemes come under management

Delayed drawdown of new loans

Previous year's office refurbishment costs no longer impacting on operating costs

(Chart A shows turnover/cost trends over the past 5 years)

The Association's Balance Sheet has also strengthened during the year. A strong cash position at the beginning of the year improved further, boosted by grant receipts and by continuing improvement in stock market investments. These finished the year £370,000 ahead of book value. FOLD's gradual withdrawal from the stock market continued in 2005-06 and will be completed in the first quarter of 2006-07.

FOLD is committed to providing modern and well maintained accommodation. In keeping with this FOLD has a significant major repairs programme planned for the next 3 years. During the year a further transfer of £0.65m was made to the major repairs fund, bringing the total to £10.7m. This reflects the Association's commitment to maintaining and enhancing its stock.



1. John McLean, Chief Executive of FOLD launching FOLD's internet access pilot project for one of FOLD's sheltered scheme - Tonic FOLD, Bangor

Financing Capital Growth

After reporting record levels of growth in the previous 2 years, FOLD's vigorous capital development programme has expanded further in 2005-06 with expenditure on the acquisition and development of new housing properties totalling £26 million. This brings the total book value of FOLD's property to £188 million.

Housing Association Grant (HAG) made available by the Department for Social Development (DSD) continues to provide vital core funding from the public purse with a further contribution of £20 million in 2005-06.

The Association continues to utilise loan funding to cover the balance of its capital funding needs. During 2005-06 DSD grants received in advance in respect of a number of large projects together with cash released from the sale of stock market investments have delayed the drawdown of new loans. However, in the year, the Board decided to maximise the advantage of low interest rates negotiated on long-term fixed-rate loans and the final tranche of the First Trust loan facility (£4.5 million) was drawn-down.

The Association expects to finance most of its capital programme in the incoming year from its cash reserves. However, in recognition of the large capital programme now in place for the next 3 years, a new loan facility of £15 million has been agreed with Nationwide Building Society.

This should leave the Association well placed to meet its capital development commitments in the medium-term.

(Chart B reflects the pattern of unprecedented growth in recent years.)

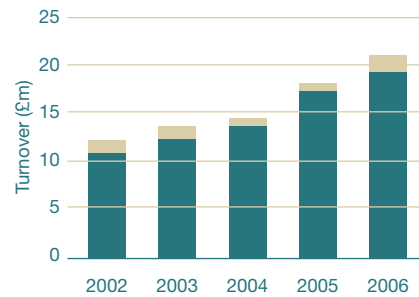


Chart A
Turnover/Cost Trends 2002-2006

■ Operating Surplus
■ Operating Costs

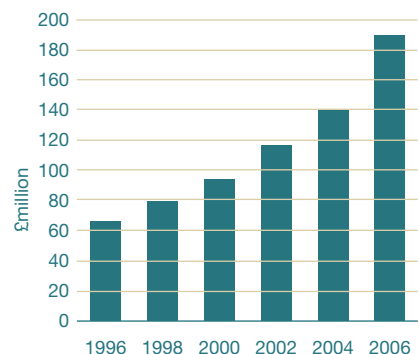


Chart B
Growth in Housing Property Investment 1996-2006

■ Cumulative Cost

Income & Expenditure Account

Year Ended 31 March 2006

The summary financial statements have been extracted from the Association's full financial statements for the year ended 31 March 2006 which were approved by the Board of Management on 22 June 2006.

| | 2006 £ | 2005 £ |
|---|-------------------|-------------------|
| Turnover | 21,362,361 | 18,091,205 |
| Less Operating Costs | (19,455,221) | (17,359,215) |
| Operating Surplus | 1,907,140 | 731,990 |
| Income from Investments | 413,318 | 393,913 |
| Surplus arising from Property Sales | 40,536 | 416,139 |
| Transfer to Disposal Proceeds Fund | (50,665) | (416,888) |
| Interest Receivable | 438,058 | 604,615 |
| Interest Payable | (839,310) | (844,059) |
| Surplus for the Year | 1,909,077 | 885,710 |
| Transfer to Designated Reserves | (649,346) | (156,020) |
| Surplus/(Deficit) for the Year after Transfers | 1,259,731 | 729,690 |

Balance Sheet

Year Ended 31 March 2006

| | £ | 2006 £ | £ | 2005 £ |
|--|---------------|-------------------|---------------|-------------------|
| Fixed Assets | | | | |
| Housing Properties | 187,923,940 | | 161,729,712 | |
| Less Housing Association Grant | (156,476,206) | | (136,988,417) | |
| | | 31,447,734 | | 24,741,295 |
| Other Tangible Assets | | 3,578,468 | | 3,584,409 |
| Investments | | 2,536,652 | | 3,754,705 |
| | | 37,562,854 | | 32,080,409 |
| Current Assets | | | | |
| Debtors/Work in Progress | 6,281,551 | | 3,110,337 | |
| Cash on Deposit | 13,226,767 | | 10,657,600 | |
| Cash at Bank & In Hand | 71,911 | | 198,242 | |
| | 19,580,229 | | 13,966,179 | |
| Creditors – Amounts Falling Due | (13,408,244) | | (7,929,766) | |
| Within One Year | | 6,171,985 | | 6,036,413 |
| Total Assets Less Current Liabilities | | 43,734,839 | | 38,116,822 |
| Creditors – Amount Falling Due | | 16,432,201 | | 13,235,031 |
| After One Year | | | | |
| Provisions for Liabilities & Charges | | 3,119,923 | | 2,817,289 |
| Capital & Reserves | | | | |
| Revenue Reserves | 13,060,631 | | 11,800,898 | |
| Designated Reserves | 10,751,207 | | 10,101,861 | |
| Revaluation Reverse | 370,877 | | 161,743 | |
| | | 24,182,715 | | 22,064,502 |
| Net Funds | | 43,734,839 | | 38,116,822 |



Developing our staff to achieve continuous improvement.

Human Resources & Corporate Services Report



Marie Pickles
Human Resources Director

Management Development Programme

Our new Management Development Programme was launched in 2005. It provided a dedicated programme for managers at all levels. Thirteen workshops were held using role play and debate to maximise development and feedback from attendees was very positive. The value of this investment is already being realised with staff turnover reducing to 17.6% and absence down by 1.45%.

The Management Development Programme included an external course at the University of Ulster, (Advanced Diploma in Management Practice). Four managers were selected for the programme.

Staff Development

We are committed to developing and training our staff. Our training programme delivers many essential courses. In addition we offer training services to other housing associations. Our courses ensure compliance with relevant legislation including; health and safety; data protection; stress management; food hygiene; moving and handling and attendance management. Each member of staff received on average 3 days of training last year. We invested £150,000 on training including external courses and external training expertise. When staff

time was included the investment rose to over £300K .

During the year:

A Manager gained a BSc (Hons) Degree in Dementia Studies

4 staff registered for a level 2 NVQ in Customer Care

14 staff registered for an NVQ level 2 in Health & Social Care

17 staff registered for an NVQ level 3 in Health & Social Care

5 staff registered for the NVQ Assessor Award

2 staff registered for the NVQ Internal Verifiers Award

We received NVQ funding of £25,470 from the DDHSSPS Training and Support Programme.

In line with the requirements of the Northern Ireland Social Care Council, 7 Housing-with-Care Managers and 4 Day Care Organisers were registered as Social Care Workers.

Staff Awards Night

Staff have over the years made FOLD the success it is today. To acknowledge and celebrate their contribution, we invited staff, residents and those involved with FOLD to nominate staff who had:



1. FOLD family fun day



2. Presentation of NVQ Awards



3. FOLD Staff Conference, Stormont Hotel, Speaker Billy Dixon

provided exceptional service; had gone the extra mile; or were especially committed to providing excellent care. Over 500 nomination forms were received and 140 staff attended a special award ceremony at the Stormont Hotel in November 2005.

Staff Survey

A staff survey facilitated by the NIHE was carried out in 2005. Respondents delivered a 69% return rate. Staff feedback was generally very positive and highlights included:

88% of respondents were aware of the FOLD Business Plan

88% of respondents said they were aware of the annual review

83% of respondents said they were very satisfied of belonging to an organisation they were proud of

80% thought their manager valued their contribution towards the attainment of corporate objectives and tasks

There are areas for improvement and we welcomed the feedback from our staff.

Quality

FOLD made many advances in Quality systems in 2005 including:

EFQM: we were awarded GOLD in 2005. The EFQM model has helped to shape our business processes and performance measures.

Investors in People: we gained re-certification to IIP. The IIP standard has been restructured and we welcomed the more rigorous review of our staff development processes.

Chartermark; TSA and CSHS

In June 2005 Care Services were accredited with Chartermark. TeleCare was awarded the TSA Code of Practice Parts I and II in November and housing regained certification for the third time to the CSHS Code of Practice.

Business in the Community (Bitc)

We became the first Northern Ireland not-for-profit company to receive the Business in the Community Charter. We are committed to protecting the environment; ensuring equality and diversity are upheld in the workplace and our staff contributes to society.

Bright Ideas

Our 'Bright Ideas' staff suggestion scheme was launched in 2005. Staff have put forward more than 50 ideas in the first 6 months. Examples included: One week

work experience for sixth year school students - a day in each department

Voluntary work sponsorship by FOLD on the basis of 50% time given up by the employee and 50% of the employee's time paid for by FOLD

Cancer screening of staff part-sponsored by FOLD

Sickness and Absence

We recognised the need to reduce sickness and absence as it has an impact on staff morale and financial performance. A project team achieved a significant improvement during the year through:

Benchmarking against other organisations outside FOLD's sector

Sickness & Absence policy/procedure was reviewed and drafted

Management workshop held to agree final draft

Human Resources activated 'triggers' and monitored progress monthly

On-site Occupational Health Service was introduced and an Employee Assistance confidential helpline was activated (Carecall) Staff were regularly briefed on improvements. As a result the sickness & absence rate was reduced from 5.75% to 4.36% by the end of March 2006.



Supporting staff, contributing to society and improving the environment.

Corporate Social Responsibility (CSR) Report

Responsible businesses recognise their role as important stakeholders in society and the need to 'put something back' into the local communities. Attracting and retaining the best employees is crucial to their business success. They recognise that their activities impact on the environment and they must minimise that impact.

Business in the Community (BitC)

In June 2006 we were awarded the Business in the Community (BitC) Charter in recognition of our commitment to developing best practice across the four key areas of Environment; Workplace; Social Impact; and Economic Impact. We are the first not-for-profit organisation in Northern Ireland to be awarded this charter. We aim to contribute to society through improving:

The Environment: To promote better development by demonstrating best practice in environmental action across all our operations.

Our Workplace: Pursue excellence in the workplace by recognising equality and diversity, encouraging social inclusion, promoting staff development and improving the health and well-being of our employees.

Positive Social Impact: Continue

through all our business activities to build working partnerships which support the development of good relations, health and prosperity in our community.

Positive Economic Impact: Avail of support offered by the wider business community in improving our services and the well-being of our customers.

We have adopted the BitC framework as a means of monitoring current initiatives and to provide a platform for new CSR activities. Our commitment is evidenced by:

FOLD in the Community

Building partnerships: Mencap; First Housing Aid and Support Services; and Prospects

Enabling independence: TeleCare and Staying Put services

Providing social housing and care services: Over 110 projects across Northern Ireland.

Sponsoring community art projects: Sliabh Dubh; Morning Star.

Sponsoring youth football teams: Brookmount, Omagh.

Facilitating community groups: Alzheimer's Society; Arthritis Care Group; Chest Heart & Stroke; Help the Aged; Weight Watchers; District Police Community Forum.

Supporting Charities: Widespread fundraising by residents and staff across all FOLD schemes; selection of Habitat for Humanity by FOLD in 30th Year.

Encouraging good community relations: working with community groups, the NIHE and the DSD to revitalise communities.

Supporting vulnerable people: developing innovative services which give people support, security and lifestyle choice.

Workplace

Promoting Health and Safety: promoting health and safety at work backed up by robust risk assessment processes and extensive training of staff.

Promoting Wellbeing: providing a weekly occupational health nurse service on site and a confidential help-line for staff; support of staff social committee.

Improving Communication: company and regional briefing process; staff one-to-one's; annual appraisals; coffee-pot



1 FOLD Chief Executive and Chairman receive the Business in the Community Charter from David Hanson, MP, Minister for Social Development and Martin Howell, Bitc



2. Staff participate in its a Knockout at Manor Court, Lurgan

meetings; staff conferences; intranet; balanced scorecards; staff roadshows; regular mailshots to home; integrated telephone system linking regional offices.

Encouraging Staff Suggestions:
FOLD's in-house 'Bright Ideas' scheme bringing forward over 55 proposals to advance the business in 2005/06.

Improving Staff Recognition:
greater emphasis on recognition of effort and achievement by managers; staff awards night; staff fun-day; long service awards.

Increasing Employee Development evidenced by IIP: 3 working days of training per employee per annum; In-house management development programme; university based management course; NVQ programme of training; 360 degree assessment programme for managers; coaching and benchmarking modules; team building events; state-of-the-art training suite.

Improving the Workplace: provision of modern and spacious office accommodation with air conditioning; flexi-time working for office staff; disability access in most offices; good proximity of schemes to public transport.

Facilitating Equality and Diversity: embedded policies and procedures subjected to equality assessment; written commitments on equal opportunities covering age, disability, race, marital status, national origin, gender and religious beliefs; flexible working - paternity and adoption leave, child breaks, career breaks, part-time working and flexicare.

Maximising Employee Benefits: final salary pension scheme; childcare vouchers; discount schemes arranged with service providers e.g. travel operators, hotel chains, fitness clubs.

Environment

Designing: new buildings include Ecohomes 'very good' standard and 'Secure by Design'.

Maximising Energy Efficiency: ongoing replacement of inefficient boiler plant; changeover from E7 heating to oil or gas central heating; piloting micro generation; trial of 'fuel stretcher' fuel saving control system; installation of double glazing window systems; trialling of lighting time circuits in schemes; trialling of CHP unit at Ardroulin scheme; travel policy which encourages minimal travel.

Introducing Renewable Resources: geothermal heating scheme and grey water collection at the Brook, Coleraine; recycling of office waste paper; recycling of printer cartridges.

Supporting Amenity Improvement: support of community art projects and environmental improvement schemes in partnership with NIHE, Groundwork NI, Lower Duncairn Residents Group and NIE.

FOLD in the Marketplace

Pursuing Quality Awards: Chartered Institute of Housing Award for outstanding achievement in housing for debt counselling service; Care Services registered to Chartermark; Gold Award in EFQM Steps to Excellence in 2005; IIP Certification in 2006; ASAP Award in TeleCare.

Facilitating Regulatory Inspections: Regular inspections by DSD, NIHE, HPSSRIA and internal / external auditors

Ensuring Value for Money: Benchmarking with other housing associations under joint procurement; joint procurement on maintenance services and procurement of materials and commodities.



3 Sponsorship of Brookmount Rovers Football Team



4 & 5 Community art and mosaic projects at Sliabh Dubh, Belfast.

Improving Communications:

Marketing communications plan; modern website; telecare services; Annual Review; new corporate brochure; FOLD News for residents; resident forum meetings; regular surveys of staff, residents and stakeholders; 30th Year scheme celebrations; regular press releases and PR; sheltered scheme communications programme; corporate DVD; Complaints procedures.

A project team comprising staff from across the association will be focusing on expanding our CSR action plan into 2006/07. They will:

Raise the profile of CSR among staff, residents and partners

Expand our number and range of environmental and sustainability initiatives

Leverage coaching and benchmarking relations with private sector partners

Continue our programme of assessing equality and diversity in our policies

Operate team building events in a community-support context

Improve the level of recognition and communication throughout FOLD

Facilitate increased involvement of local communities and businesses within FOLD activities.



FOLD Housing Association

FOLD House
3 Redburn Square
Holywood
BT18 9HZ

Telephone (028) 9042 8314
Fax (028) 9042 8167
Email info@foldgroup.co.uk

Celebrating 30 years

www.foldgroup.co.uk



Recognised by the International Council of Social Awards
Provider of training and to Code of Practice
Call handling Services and Customer Team/Operations