

FORWARD HOUSING
(formerly FORWARD HOUSING SW)

Registered No: 03821702
Charity No: 1078391
OSCR Charity No: SC045082

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH, 2021

FORWARD HOUSING
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(A charitable company limited by guarantee)

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INTRODUCTION

**These papers tell readers what the charitable company has been doing
between April 2020 and March 2021.**

**The directors have written about what has gone well and what
needs development.**

You can see how the charitable company has managed its money.

The accounts have been checked by our Auditor – Sayer Vincent LLP

**Some of these papers must be written in legal language. We have
introduced each section with an Easy Read text box.**

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REFERENCE AND ADMINISTRATION INFORMATION

The directors and trustees are pleased to present their report and financial statements for the year ended 31 March, 2021.

CHARITY NAME Forward Housing

COMPANY NUMBER 03821702

CHARITY NUMBER 1078391

OSCR CHARITY NUMBER SC045082

COUNTRY OF INCORPORATION United Kingdom

COUNTRY OF REGISTRATION England and Wales, Scotland

REGISTERED OFFICE 134 Edmund Street
Birmingham
B3 2ES

COMPANY SECRETARY Tarnya Thompson

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REFERENCE AND ADMINISTRATION INFORMATION

AUDITOR

Sayer Vincent LLP
Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

SOLICITORS

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

BANKERS

Barclays Bank PLC
43 High Street
Sutton
Surrey
SM1 1DR

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REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2021

BOARD OF DIRECTORS

Members of the Board of Directors, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out below:

Robert Graham (Chairperson)

Sebastian Blagbrough

Sean Brew

Simon Conway

Jean Curd (appointed 25 June, 2020)

Gareth Jackson (appointed 1 October, 2020)

Matthew Smith

Neil Yeomans

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REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2021

This section explains that directors are responsible for putting together accounts which must show a true and fair view. This is the law.

RESPONSIBILITIES OF THE BOARD OF TRUSTEE DIRECTORS

The directors (who are also the trustees of Forward Housing for the purposes of charity law) are responsible for preparing the Report of the Directors and Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the charitable company's incoming resources and application of resources, including the income and expenditure, for the financial year. In preparing these financial statements, the Board of Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;

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year ended 31 March, 2021

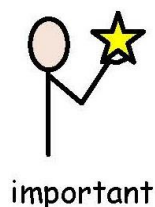
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charitable company will continue in operation.

The Board is responsible for keeping adequate accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2021



What is Important for Forward Housing¹

Forward Housing is part of the Thera Group of companies. Thera's Vision clearly sets out Thera's philosophy of control and involvement by people with a learning disability:

Our vision

	Thera will show that people with a learning disability can be leaders in society
	Thera will be controlled by people with a learning disability
	People supported by Thera can say how their Thera company is directed and managed
	People with a learning disability will design the support they want from Thera.
	Thera will respect the rights and wishes of people at work, at home and in the community
	People with a learning disability will check the quality of support from their Thera company
	Thera Group will be led by a charity

www.thera.co.uk



Thera Group®
Supporting people with a learning disability

¹ Thera Trust is our parent company. Its charitable objects are "the relief of persons with learning disabilities, their families and carers by the provision of support services including services in the support of residential, respite and other suitable forms of care, education and work opportunities and to promote public awareness of the needs of such persons and to give support to their families" and "the promotion of the effective use of charitable resources for the benefit of the public by the provision of services to organisations involved in the relief of persons with learning disabilities, their families and carers."

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Helping More People

more

The strategy adopted by Forward Housing is intended to support Thera in furthering its plans to work across England and Scotland and Wales and to provide bespoke housing solutions for people with a learning disability where a Thera Company provides support.

During the past year, we have been able to utilise funds from both Cheyne Capital and Thera Trust's charity bond to provide more accommodation for people with a learning disability. Some properties have been purchased by Touchpoint Housing (FH) S.A.R.L. (a subsidiary of Cheyne Capital) ("Touchpoint") and leased to Forward Housing, then under-leased to Empower Housing Association ("Empower"). Other properties have been purchased directly by Forward Housing using bond funding and then leased to Empower. Empower grant Assured Tenancies to the people nominated to live in the new property. By March, 2021, Forward Housing had provided accommodation for 178 people.

As part of the Thera Group, Forward Housing applies Thera's Vision to the work that it does, ensuring that people have control and choice over all aspects of their home.

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Forward Housing will continue to work with people with a learning disability and their families as well as with other Thera companies and local authority commissioners to identify un-met housing need. Appropriate properties will continue to be acquired either through the Cheyne Capital agreement or directly by Forward Housing.

Forward Housing's approach is to provide "an ordinary house on an ordinary street". The properties are specially adapted by Forward Housing to meet the specific needs of each prospective tenant, whilst ensuring the longer term marketability of the property either to alternative tenants or for sale.



Forward Housing is a Charity

Forward Housing SW was incorporated on 9th August, 1999, as a not-for-profit company limited by guarantee and having no share capital. Forward Housing SW was registered as a charity on 29 November, 1999. On 30th June, 2020, the company's name was changed from Forward Housing SW to Forward Housing.

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year ended 31 March, 2021

The company is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.²



Fundraising

Forward Housing does not fundraise and therefore, under Section 13 of The Charities (Protection and Social Investment) Act 2016, has no disclosures to make.



housing

Forward Housing Provides Accommodation for People with a Learning Disability

As at 31 March, 2021, Forward Housing owned 21 properties and leased 70 properties from Touchpoint, referred to earlier.

As at 31 March, 2021, there were 178 people living in properties owned or leased by Forward Housing; this included the provision of six places in short break properties (31 March, 2020, total 166 including the provision of six places for short breaks). It is pleasing that we have been

² The Objects of Forward Housing are the relief of sickness, disability and suffering anywhere in the world and not particularly but not so as to limit the generality of the foregoing i) the provision and management, maintenance and improvement of housing for people with learning or other disabilities or who suffer from mental illness of any kind ii) the provision and funding of appropriate training and research facilities and other necessary services and support in connection with such people.

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year ended 31 March, 2021

able to achieve this increase during the depths of the Covid-19 pandemic

In addition to the needs of people supported and commercial considerations, Trustees have had regard to the Charity Commission's guidance on public benefit and believe that the objectives and activities of Forward Housing fulfil the Commission's requirements. The content of this report sets out how the charitable company has achieved its objectives during the year.



What Happened in 2020-21

Our principal objectives for the year ended 31 March, 2021, were broadly the same as previous years, namely:

- ✓ Work with other companies in the Thera Group to identify un-met housing needs of people they support, or intend to support, with a view to providing appropriate accommodation
- ✓ Acquire properties to meet the needs of the people who will live with them
- ✓ Continue to use the Touchpoint funding facility and ensure targets on spend are achieved
- ✓ To acquire properties directly with the use of charity bond funding

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year ended 31 March, 2021



People Forward Housing Has Helped in 2020-21

As at 31 March, 2021, there were 179 people living in properties owned or leased by Forward Housing; this included the provision of six places in short break properties (31 March, 2020, total 166 (re-stated)).

During the year ended 31 March, 2021, Forward Housing has helped people who needed to move into a property adapted to meet their needs as well as provided housing to people newly supported by a Thera support company. Covid-19 has led to delays in some people moving into their new homes, but this has now eased following the end of lockdown and we are not anticipating further problems of this nature.

Access to funds from the agreement with Cheyne Capital and from Thera's charity bond has enabled Forward Housing to continue providing sustainable housing solutions for people that Thera companies support; which in turn has allowed people to enjoy the benefits of living in their own homes in the community and fully enjoy all of the benefits that this brings.

The people living in these new homes and being supported by Thera companies have come from a range of different backgrounds, but all now enjoy an enhanced quality of life.

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Over the year Forward Housing has been able to provide accommodation for a range of people including:

- ✓ Young single people who have moved on from their parents' accommodation to their own home
- ✓ People who live in existing accommodation that does not meet their needs
- ✓ New groups of friends who want to live together and who need specialist equipment in their house
- ✓ People whom Thera already support but live in property that does not meet their needs
- ✓ People moving out of registered care homes to take up their own tenancy to improve the quality of their lives
- ✓ People who have been in danger of losing the security of their existing accommodation



'Arthur'

'Arthur' is an active young man with exceptionally complex support needs who needed to move from a specialist residential secure unit and who needed a highly adapted property.

We worked with those that know 'Arthur' best to develop a detailed property works specification which included underfloor heating, a

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separate toilet, tanked floors, reinforced glass and raised window ledges, and specialist furniture.

Securing accommodation with this level of specialist adaptation would be almost impossible to do through more traditional routes, which demonstrates the value and impact of Forward Housing's approach to providing bespoke housing solutions.

'Fred', 'Neville' and 'Peter'

Thera supported three men in a large, rambling house, built over three stories. They had lived together for over ten years. Three other tenants had moved out over the years, leaving them in an under-occupied property that was expensive to heat and which could not be adapted to meet their declining mobility and increasing health needs. The property was at the top of a steep hill, so the tenants could only go out by car and struggled to make connections within their local community.

'Fred' prefers to be in places that are quiet and not too crowded. Although he can be very noisy, he is not able to tolerate noise from others and he can become agitated and anxious. He needs his home to be spacious, uncluttered to be able to move around safely. 'Neville' uses a rollator in his house and a wheelchair when out and about. He doesn't like crowded spaces or to be around children or elderly people. If he is feeling unwell

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or scared, he can hit out or head-butt others around him. 'Peter' can be easily startled and any sudden noise, movement or shadow can cause him to drop to the floor. At home, he prefers to crawl on his hands and knees and to sit in doorways.

Forward Housing was therefore given the brief to find a bungalow with plenty of space and more than one doorway into the lounge, dining and kitchen areas. It needed to be in broadly the same geographic area and have a garden large enough to accommodate a chicken run and a sensory shed. A three bedroom property on a large plot was identified and a large extension was built. Because of the complex physical needs of the tenants, three bathrooms, each with specialist baths, were installed with advice from an occupational therapist. One bathroom has a low-level bath, which can be taken out at any time to create a wet room with a shower. The kitchen and dining areas are large enough for all four tenants to prepare their meals and eat together should they wish. There is off road parking for four mobility vehicles.

The men are now far more able to enjoy their home and have the security of a property which will meet their changing needs in the future. The new property is right in the heart of the local community. The tenants can go out every day for a walk. They have made friends with the neighbours, who will always stop to chat to them. They are able to spend time together when they want but have their own space when they need it

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money

Forward Housing's Money

Forward Housing's accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Forward Housing's Articles of Association, applicable company and charity law and the requirements of the "Accounting and Reporting by Charities, Statement of Recommended Practice FRS 102".

Total income from charitable activities in 2020-21 was £+1,515k (2019-20 - £1,338k). This is slightly lower than anticipated due to the Covid-19 delays in property development reported earlier in this report.

Forward Housing's reserves at the end of the year were slightly lower than last year at £4.5m (31 March, 2020 - £4.8m). Whilst we continue to make a small loss on our charitable activities, property sales allowed us to generate an overall net surplus for the year of £+202k. This was offset by a re-valuation of our property portfolio leading to a net reduction in reserves of £-312k. Cash balances were £+433k (31 March, 2020 - £+3k).

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policy

Reserves and Remuneration Policy

Forward Housing has substantial overall charitable reserves relative to its annual income and expenditure. The majority of these reserves are however represented by investment property which is not easily realisable into cash. Expenditure on charitable activities largely relates to expenditure on rent and other property costs which is backed by income from property leases, which are considered a secure source of charitable income.

As a result, trustees do not have any intention to target a higher level of overall reserves nor to increase free reserves to meet property costs already backed by secure income.

Instead, trustees have determined that they should either maintain, or have access to, sufficient working capital to allow the charity to continue to be managed and to deliver its overall charitable purposes by being able to sustain six months of relevant costs. These costs are support activities, including the costs of management and operational staff. At present, net current assets of £311k exceed annual operating costs and Trustees are satisfied that these reserves meet their current target.

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Forward Housing's Trustees are satisfied that the charity has sufficient access to overall reserves and to working capital, both as part of its reserves and from facilities available within the Thera Group, to fulfil its charitable objects on an ongoing basis.

Salaries to management and other staff are set in accordance with Thera Group's pay policy. The pay of key management personnel is set by Thera Trust's Remuneration and Pensions Committee. The Committee consists of three non-executive directors, who independently determine the remuneration of executive directors of the organisation, and of its subsidiary companies. In its remuneration policy, the Committee takes account of good practice guidelines in setting executive pay, including the principles set out in the NCVO's April, 2014 report on Charity Senior Executive Pay.



risk

Managing Forward Housing's Risks

The directors have assessed the major risks to which Forward Housing may be exposed through a risk management strategy and are satisfied that systems are in place to minimise the incidence and impact of these risks. This strategy is reviewed annually.

In addition, the board of directors are aware of the inherent risks associated with property acquisition, adaptation, leasing and financing

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year ended 31 March, 2021

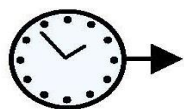
and have ensured that arrangements are in place to both manage and minimise risk to Forward Housing. In particular, Forward Housing's principal risk arising from vacant tenancies is largely mitigated in leasing agreements, voids insurance and negotiation with non-Thera support partners



COVID-19

Covid-19

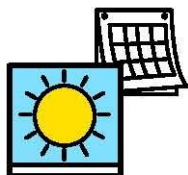
In relation to potential additional or specific risks associated with Covid-19, the trustees acted in line with policy and guidance issued by Thera Trust, the parent company of Forward Housing.



future

Plans for the future

The trustees intend to continue with Forward Housing's core activity during 2021-22 and, subject to sourcing further funding, in future years.



date

What's happened since March, 2021

Forward Housing continues to have access to the £10m. facility with Cheyne Capital over the next three years.

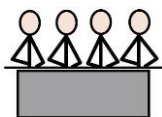
It also has access to £3m. from the £5m raised by Thera Trust in 2020 through the issue of its fourth charity bond.

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Since the end of the financial year, Forward Housing has purchased three properties at a cost of £1.1m. financing by this bond funding.

Whilst the Covid-19 crisis has created delays to the development programme, Forward Housing still has a healthy number of schemes in the pipeline and underlying demand for housing remains strong.



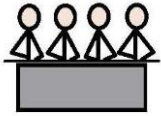
directors

Forward Housing's Trustees

Members of the board of trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are shown in the company information at the start of this report and accounts.

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year ended 31 March, 2021



management

Management of Forward Housing's Activities

During the year to 31 March, 2021, Thera Trust was responsible for providing corporate services to Forward Housing. Gareth Jackson was responsible for managing the activities of Forward Housing.

Gareth retired from this role on 30th September. We are immensely grateful to him for the seven years of service that he has provided to Forward Housing. As well as delivering on- and off-balance sheet capital schemes to the value of £19.8m, he can be proud that he has enabled 152 beneficiaries to move into their own home; many for the first time in their lives.

Notwithstanding Gareth's retirement from this role, we are delighted to be able to retain his services now as a trustee on our board.

We have been delighted to welcome Ben Harrison as our new Managing Director. Ben has worked in social housing for much of his career and has more than 20 years' experience of working with and alongside people with a learning disability; most recently with eight years as Head of Housing for a large charitable organisation.

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REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2021



Forward Housing Makes Sure that it has Good Directors
(Recruitment, Induction and Training of Trustees)

As Forward Housing is part of the Thera Group and in accordance with its Articles, the majority of trustees are now appointed by Thera Trust.

All trustees in the Thera Group follow a formal induction process to ensure they know the organisation and its aims and are aware of their responsibilities. All trustees are subject to references and enhanced DBS checks.

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year ended 31 March, 2021

This section explains that the directors have told the Auditor everything they should and that they have worked within the law.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In so far as the Board of Directors is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Board of Directors has taken all the steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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REPORT OF THE DIRECTORS AND TRUSTEES
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**This section asks the Company Members to agree that the Auditor,
Sayer Vincent LLP, be chosen again as the company's Auditor.**

RE-APPOINTMENT OF AUDITOR

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Sayer Vincent LLP as auditor of the Company.

The directors' report has been prepared in accordance with the special provisions applicable to companies, subject to the small companies' regime.

This report was approved by the board on 13 December 2021 and signed on its behalf.

Robert Graham
Trustee

Simon Conway
Trustee

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING

This page explains that the Auditor is reporting that the accounts give a true and fair view of the company and that they are put together as the law says they should be put together.

OPINION

We have audited the financial statements of Forward Housing (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

**This section explains that the Auditor has audited (checked) the
accounts and that they are reporting to Company Members.**

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Forward Housing's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

**This section explains that the Auditor must tell us if they are unhappy
with how the directors managed the company.**

**The Audit report says that there is nothing bad the Auditor wishes to
report to Company Members.**

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES
ACT 2006**

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
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Trustee Directors' responsibilities are explained on page 5.
This page explains that it is the Auditor's responsibility to audit (check)
the accounts as the law says they should.

charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL
STATEMENTS**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

FORWARD HOUSING
(formerly FORWARD HOUSING SW)
(A charitable company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

This page explains how the Auditor checks the accounts.

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 are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
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the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORWARD HOUSING**

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

Jonathan Orchard (Senior statutory auditor)

17 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

You will see that this report and accounts also includes accessible information so that the directors of Forward Housing are ensuring that all Company Members, including those with a learning disability, are able to fulfil their duties in law including to receive the accounts and to appoint the directors and Auditor.

The law does not say we must provide this information, but Sayer Vincent LLP says it is in line with the statutory report and accounts.

FORWARD HOUSING
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SUMMARY OF MONEY

For the year ended 31 March, 2021

What we have earned and what we have spent: **£**

Money we got in	2,059,954
What we spent on our staff	(123,278)
Other money we spent	(1,734,906)
Revaluation of houses	<u>(513,553)</u>
Money we spent more than money we got in	<u>(311,783)</u>

What Forward Housing has at 31 March, 2021: **£**

Houses	8,995,295
Property to be sold	-
How much cash we had in the bank	432,898
What we are owed by others	58,349
What we owe to other Thera companies	(4,778,697)
What we owe to others	<u>(180,307)</u>
Final amount the company had at 31 March, 2021	<u>4,527,538</u>

FORWARD HOUSING (FORMERLY FORWARD HOUSING SW)

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STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

for the year ended 31 March 2021

				Restated	
	Note	Unrestricted £	2021 Total £	Unrestricted £	2020 Total £
Income from:					
Charitable activities	3	1,514,849	1,514,849	1,338,244	1,338,244
		1,514,849	1,514,849	1,338,244	1,338,244
Exceptional Income	4	545,105	545,105	-	-
Total income		2,059,954	2,059,954	1,338,244	1,338,244
Expenditure on:					
Charitable activities		1,857,245	1,857,245	1,520,624	1,520,624
Exceptional item		-	-	4,396	4,396
		1,857,245	1,857,245	1,525,020	1,525,020
Covid-19 exceptional expenses		939	939	4,005	4,005
Total expenditure	5	1,858,184	1,858,184	1,529,025	1,529,025
Net income / (expenditure) before net gains on investment properties		201,770	201,770	(190,781)	(190,781)
Net (losses) / gains on investment properties	12	(513,553)	(513,553)	386,700	386,700
Net (expenditure) / income for the year being the net movement in funds	6	(311,783)	(311,783)	195,919	195,919
Reconciliation of funds:					
Total funds brought forward		4,839,321	4,839,321	4,643,402	4,643,402
Total funds carried forward		4,527,538	4,527,538	4,839,321	4,839,321

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

FORWARD HOUSING (FORMERLY FORWARD HOUSING SW)

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BALANCE SHEET

as at 31 March 2021

COMPANY REGISTRATION NUMBER 03821702

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible fixed assets	11		59,085		62,527
Investment properties	12		8,936,210		8,989,284
			<u>8,995,295</u>		<u>9,051,811</u>
Current assets:					
Property held for resale	12	-		194,000	
Debtors	13	58,349		327,206	
Cash at bank and in hand		432,898		3,167	
			<u>491,247</u>	<u>524,373</u>	
Current liabilities:					
Creditors falling due within one year	14	(180,307)		(132,754)	
				<u></u>	
Net current assets			<u>310,940</u>		<u>391,619</u>
Total assets less current liabilities			<u>9,306,235</u>		<u>9,443,430</u>
Long term liabilities:					
Creditors falling due after one year	15		(4,778,697)		(4,604,109)
			<u></u>		<u></u>
Total net assets	18		<u>4,527,538</u>		<u>4,839,321</u>
The funds of the charity:	19				
Unrestricted income funds:					
General funds		4,527,538		4,839,321	
		<u></u>		<u></u>	
Total unrestricted funds			<u>4,527,538</u>		<u>4,839,321</u>
Total charity funds			<u>4,527,538</u>		<u>4,839,321</u>

Approved by the trustees on 13 December 2021 and signed on their behalf by

Simon Conway
Trustee

Robert Graham
Trustee

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STATEMENT OF CASH FLOWS

for the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Net cash provided by operating activities	20		364,686		2,225,099
Cash flows from investing activities:					
Payments to acquire investment properties		(695,479)		(2,055,487)	
Proceeds from sale of investment properties		974,105		-	
Net cash provided by / (used in) investing activities			278,626		(2,055,487)
Cash flows from financing activities:					
Interest paid		(213,581)		(168,923)	
Net cash used in financing activities			(213,581)		(168,923)
Change in cash and cash equivalents in the year			429,731		689
Cash and cash equivalents at the beginning of the year			3,167		2,478
Cash and cash equivalents at the end of the year	21		432,898		3,167

FORWARD HOUSING (FORMERLY FORWARD HOUSING SW)

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies

a) Statutory information

Forward Housing is a charitable company limited by guarantee and is incorporated in the United Kingdom (England and Wales). The registered office address is 134 Edmund Street, Birmingham, B3 2ES. The operating address is The West House, Alpha Court, Swingbridge Road, Grantham, NG31 7XT. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

b) Basis of preparation

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

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

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that the company has the ability to continue operating as a going concern and there are no known material uncertainties to this. Further information is given in the trustees' annual report.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities represents fees for the accommodation of tenants. These fees comprise charges payable by registered housing providers who then sub-let the properties to the tenants.

Any rentals receivable under operating leases are credited to the statement of financial activities on a straight line basis over the term of the lease.

f) Government & local authority assistance

Government assistance in the form of Coronavirus Job Retention Scheme and Job Support Schemes is recognised as income when an eligible claim has been submitted

Other government and local authority grants are recognised at fair value when the company has entitlement after any performance conditions have been met, the receipt is probable and the amount can be measured reliably.

g) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Support costs are central administration costs which have been recharged to the various activities using a fair allocation.

Governance costs include those incurred in the governance of the organisation's assets and are primarily associated with constitutional and statutory requirements.

All expenditure has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

The charity is exempt from income tax and capital gains tax under Section 505 ICTA1988.

i) Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

j) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

- Property Adaptations	5% straight line
------------------------	------------------

The capitalisation threshold for tangible fixed assets is £1,000.

k) Investment properties

Investment properties are included at fair value. Any gain or loss on sale or revaluation is taken to the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sales proceeds and original cost. Unrealised gains and losses of the year are calculated as the difference between the fair value at the year end and the opening fair value or purchase date if later. No depreciation is charged on investment properties in accordance with the Charities SORP.

If investment properties are occupied on a term long lease the fair value is reflective of the value in use. Investment properties which are excess to requirements (those held for sale) are valued based on vacant market possession, with any gains or losses being recognised when there is legal completion of a sale.

l) Debtors receivable within one year

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies (continued)

m) Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible into known amounts of cash with insignificant risk of change in value.

n) Creditors and provisions

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

o) Financial instruments

The charitable company enters into only basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans from related parties. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The pension cost charged to the statement of financial activities represents amounts payable by the charity in the accounting period. The charity makes payments to The Pensions Trust Ethical Fund. The scheme is a defined contribution scheme and the pension charge represents the amounts payable to the fund in respect of the year.

q) Parent charity and financial support

An Intra-Group Agreement exists between Thera Trust and twenty eight of its subsidiaries. This Intra-Group Agreement incorporates a Funding Agreement which allows Thera Group companies to benefit from the movement of funds around the Group. Each subsidiary, other than The Camden Society, Equal Futures and Thera Limited, has acceded to this Intra-Group Agreement with Board approval. In addition to this, Thera Trust and its subsidiaries have all individually agreed not to demand the repayment of any inter-company borrowings within twelve months of the date on which the balance sheet is signed. Any amounts due to or from Group companies that have been shown as due within one year to balances arising from operational activities and gift aid. A market rate of interest has been charged on balances between group companies.

r) Restatement of prior year Income & Expenditure

Due to the ongoing Covid-19 pandemic the associated costs and income from this event have been split out from inclusion in exceptional expenses in the prior year, this has had the effect of reducing exceptional expenses by £4,005. Covid expenses of £4,005 are now shown on the face of the SOFA. There has been no other impact on the financial statements.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The directors of the company make estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the charitable company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Management have considered whether Covid-19 has impacted on any areas of estimation in reporting these accounts. Other than the general background uncertainty created by Covid-19's economic impact, management do not believe that it impacts on any specific aspects of the numbers reported in these accounts.

In preparing these financial statements, the directors have delegated authority to management to make the following judgements:

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

2 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Group financial support

The directors of all of the subsidiaries within the Thera Group that have acceded to the Intra-Group Agreement as referred to above, have received assurance from the board of Thera Trust that adequate financing is in place to meet the group's financing needs and this has enabled the directors to confirm that management can prepare the accounts on a going concern basis.

Leases

Management determines whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Investment properties - owned

Investment properties owned by the charity are valued based either upon vacant market possession, where appropriate, or upon the then current and future rental yields on properties where a lease to a Registered Housing Provider is currently in place.

Recognition of leased investment properties at donated value

By way of a Framework Agreement between Touchpoint Housing (FH) S.A.R.L. (a subsidiary of Cheyne Capital), Thera Trust and Forward Housing completed in July 2015 and a variation to the Agreement effective from 31 March 2017, Forward Housing had control at 31 March, 2021, over a portfolio of 61 properties. These are by way of a 20 year, renewable lease, with the start date being the date of purchase (the earliest dates commencing in 2015) with the right to purchase at the end of the lease. These were sub-leased to Empower Housing Association, a Registered Housing Provider who granted assured tenancies in the properties to people with a learning disability.

The trustees have reviewed the accounting treatment of this portfolio and have decided to recognise a fixed asset on the balance sheet. The asset represents the economic benefit inherent in the sub-leases measured at fair value by the trustees on the basis of the net present value of future cashflows. The trustees will assess the fair value of the asset at each balance sheet date with changes in fair value being reflected in the statement of financial activities. Changes in the fair value will be affected by the changes in the rate of the Consumer Prices Index (CPI) to which rental flows are linked.

No consideration has been granted in relation to the change in value of these properties.

Impairment of other assets

Management reviews the carrying value of all other assets for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

FORWARD HOUSING (FORMERLY FORWARD HOUSING SW)

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

2 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Recoverability of trade debtors

Trade and other receivables are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the statement of financial activities.

3 Income from charitable activities

	Unrestricted £	2021 Total £	Unrestricted £	2020 Total £
Rent for accommodation of tenants	1,469,148	1,469,148	1,314,948	1,314,948
Service income	45,701	45,701	23,296	23,296
	<u>1,514,849</u>	<u>1,514,849</u>	<u>1,338,244</u>	<u>1,338,244</u>

Included in income from charitable activities are aggregate rentals receivable in relation to operating leases totalling £1,469,148 (2020: £1,314,948).

4 Exceptional Income

In 2021 there is exceptional income of £545,105 in relation to the profit on disposal of two investment properties (2020: nil).

5 Analysis of expenditure

	Unrestricted £	2021 Total £	Unrestricted £	2020 Total £
Property costs	1,264,901	1,264,901	1,140,601	1,140,601
Support costs	376,260	376,260	231,991	231,991
Depreciation	3,442	3,442	(12,490)	(12,490)
Interest payable	213,581	213,581	168,923	168,923
Total expenditure	<u>1,858,184</u>	<u>1,858,184</u>	<u>1,529,025</u>	<u>1,529,025</u>

Exceptional costs of £939 have been incurred, £939 (2020: £4,005) costs in relation to Covid-19 and in 2020 £4,396 (2021: £nil) professional costs.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

6 Net (expenditure) / income for the year

This is stated after charging / (crediting):	2021 £	2020 £
Interest payable	213,581	168,923
Depreciation		
Operating lease rentals:	3,442	(12,490)
Property	1,215,603	1,123,507
Auditor's remuneration (excluding VAT):		
Audit	9,540	9,360
Other services	1,910	1,880

Auditors' remuneration for the group is disclosed in full in the parent charitable company and is recharged to the subsidiary as part of the overall recharge of the group's management and administration costs.

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2021 £	2020 £
Salaries and wages	107,941	141,416
Social security costs	12,021	17,300
Employer's contribution to defined contribution pension schemes	3,316	1,958
	123,278	160,674

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£80,000 - £89,999	-	1

No employee earned more than £60,000 during the year.

The total employee benefits (including employer pension contributions and employer's national insurance) of the key management personnel were £38,134 (2020 £93,336).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020 £nil). No charity trustee received payment for professional or other services supplied to the charity (2020 £nil).

There were no trustees' expenses in the current year. In 2020, there was £1,826 which represented the payment or reimbursement of travel and subsistence costs incurred by 6 members relating to attendance at meetings of the trustees.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 3 (2020: 3).

Staff are split across the activities of the charitable company as follows:

	2021 No.	2020 No.
Management and administration	3	3
	3	3

9 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none) other than intra-group transactions as disclosed below.

Thera Trust is the parent charitable company of Forward Housing. Any balances due to or from entities within the Thera group are disclosed within the relevant debtors and creditors notes.

Thera Trust makes a recharge of management and administration costs incurred on behalf of the group to all of its subsidiaries. The specific amounts recharged to each entity are not being disclosed on the grounds that the Thera Group operates in a competitive commissioning environment and this information is commercially sensitive.

As in the accounting policies note for parent charity and financial support, a market rate of interest has been charged on balances between Thera Trust and Forward Housing, in 2021 £213,581 (2020: £168,923).

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Property Adaptations £	Total £
Cost		
At the start of the year	68,837	68,837
At the end of the year	68,837	68,837
Depreciation		
At the start of the year	6,310	6,310
Charge for the year	3,442	3,442
At the end of the year	9,752	9,752
Net book value		
At the end of the year	59,085	59,085
At the start of the year	62,527	62,527

The above assets are used for charitable purposes.

FORWARD HOUSING (FORMERLY FORWARD HOUSING SW)

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

12 Investment properties

	Owned £	Leased £	2021 £	Owned £	Leased £	2020 £
Fair value at the start of the year	5,137,057	3,852,227	8,989,284	3,275,570	3,465,527	6,741,097
Additions including donations	695,479	-	695,479	2,055,487	-	2,055,487
Disposals at fair value	(235,000)	-	(235,000)	-	-	-
Property held for resale	-	-	-	(194,000)	-	(194,000)
Revaluation during the year	(390,718)	(122,835)	(513,553)	-	386,700	386,700
Fair value at the end of the year	<u>5,206,818</u>	<u>3,729,392</u>	<u>8,936,210</u>	<u>5,137,057</u>	<u>3,852,227</u>	<u>8,989,284</u>

In 2021, the trustees have been provided with a valuation from Jones Laing LaSalle ("JLL") Residential Advisory Team, in accordance with the RICS Valuation Professional standards July 2017 Global and UK Edition of the properties that it owns. This valuation was at market value as at 31st March, 2021. The valuation was based either on the then current and future rental yields on properties where an under-lease to a Registered Housing Provider is currently in place, assuming good and marketable title free from onerous or unusual restrictions, covenants or encumbrances not covered by appropriate insurances, long term CPI of 2% and leases, where in place, formally registered with HM Land Registry or, where appropriate, upon vacant market possession. All of the investment properties owned by the charity are located within the United Kingdom. The majority of these properties are held for use in operating leases. No properties were identified for future sale at the year end (2020: 2).

Some properties are leased by the charity and then under-let to a Registered Housing Provider. There is an economic benefit inherent in certain leases granted on these properties measured at fair value over their extended lifetime. This has given rise to a re-valuation of that benefit at the year-end.

13 Debtors

	2021 £	2020 £
Trade debtors	25,826	158,828
Other debtors	1,393	118,024
Prepayments and accrued income	31,130	50,354
	<u>58,349</u>	<u>327,206</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	64,196	4,529
Taxation and social security	4,053	23,769
Other creditors	(249)	22
Accruals and deferred income	112,307	104,434
	<u>180,307</u>	<u>132,754</u>

The group bank overdraft is secured by a fixed and floating charge over the undertaking and all property assets present and future across the companies included within the group overdraft facility.

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NOTES TO THE FINANCIAL STATEMENTS

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15 Creditors: amounts falling due after one year

	2021 £	2020 £
Amounts due to group undertakings	4,778,697	4,604,109
	4,778,697	4,604,109

The repayment period for the amounts owed to group undertakings is disclosed in the accounting policy called Parent charity and financial support.

16 Security

A first legal charge is held by Barclays Bank in respect of the Forward Housing's investment properties. These charges are in respect of borrowings due by Thera Trust, however equal liability is shared by the company.

17 Pension scheme

The Pensions Trust Ethical Fund

Forward Housing participates in The Pensions Trust Ethical Fund, which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £3,316 (2020 £1,958). The amount outstanding in respect of this Scheme at the year-end was £nil (2020 £nil).

18a Analysis of net assets between funds (current year)

	General unrestricted £	Total funds £
Tangible fixed assets	59,085	59,085
Investment properties - owned	5,206,818	5,206,818
Investment properties - leased	3,729,392	3,729,392
Net current assets	310,940	310,940
Creditors due after more than one year	(4,778,697)	(4,778,697)
Net assets at 31 March 2021	4,527,538	4,527,538

18b Analysis of net assets between funds (prior year)

	General unrestricted £	Total funds £
Tangible fixed assets	62,527	62,527
Investment properties - owned	5,137,057	5,137,057
Investment properties - leased	3,852,227	3,852,227
Net current assets	391,619	391,619
Creditors due after more than one year	(4,604,109)	(4,604,109)
Net assets at 30 March 2020	4,839,321	4,839,321

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19a Movements in funds (current year)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
General funds	4,839,321	2,059,954	(2,371,737)	-	4,527,538
Total funds	<u>4,839,321</u>	<u>2,059,954</u>	<u>(2,371,737)</u>	<u>-</u>	<u>4,527,538</u>

The narrative to explain the purpose of each fund is given at the foot of the note below.

19b Movements in funds (prior year)

	At 1 April 2019 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2020 £
General funds	4,643,402	1,724,944	(1,529,025)	-	4,839,321
Total funds	<u>4,643,402</u>	<u>1,724,944</u>	<u>(1,529,025)</u>	<u>-</u>	<u>4,839,321</u>

Unrestricted funds

General funds

Represents the amounts which are free of any restrictions or limitations.

20 Reconciliation of net (expenditure) / income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(311,783)	195,919
Unrealised movement on investment property	513,553	(386,700)
Gain on disposal of investment properties	(545,105)	-
Interest payable	213,581	168,923
Depreciation charges	3,442	(12,490)
Decrease / (increase) in debtors	268,857	(39,109)
Increase in creditors	222,141	2,298,556
Net cash provided by operating activities	<u>364,686</u>	<u>2,225,099</u>

21 Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash at bank and in hand	3,167	429,731		432,898
Total cash and cash equivalents	<u>3,167</u>	<u>429,731</u>	<u>-</u>	<u>432,898</u>

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22 Operating lease commitments

Forward Housing has entered into contracts with Touchpoint Housing (FH) S.A.R.L. to lease 61 (2020 58) properties over a 20 year period, with the start date being the date of purchase. These properties were then sub-leased to Empower Housing Association at the same rental charge.

Forward Housing's total future minimum lease commitments payable and receivable under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2021	2020
	£	£
Less than one year	1,240,254	1,133,547
One to five years	4,961,017	4,534,187
Over five years	13,548,902	13,285,808
	19,750,173	18,953,542

23 Ultimate holding company

Forward Housing's ultimate parent company is Thera Trust, a charitable company limited by guarantee (company number 3593418) and registered in England and Wales (charity number 1090163). Thera Trust is ultimately controlled by the board of trustees.

Copies of the consolidated Thera Trust financial statements are available from Companies House or the Charity Commission.