

FORWARD HOUSING

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

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH, 2024

FORWARD HOUSING
(A charitable company limited by guarantee)

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FORWARD HOUSING
(A charitable company limited by guarantee)

INTRODUCTION

**These papers tell readers what the charitable company has been doing
between April 2023 and March 2024.**

**The trustees 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.**

FORWARD HOUSING
REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2024

CHARITY NAME	Forward Housing
COMPANY NUMBER	03821702
COUNTRY OF INCORPORATION	United Kingdom
CHARITY NUMBER	1078391
OSCR CHARITY NUMBER	SC045082
COUNTRY OF REGISTRATION	England and Wales, Scotland
REGISTERED OFFICE	134 Edmund Street Birmingham B3 2ES
COMPANY SECRETARY	Martin Pilkington
AUDITOR	Sayer Vincent LLP Statutory Auditor 110 Golden Lane London EC1Y 0TG

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SOLICITORS

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

BANKERS

Barclays Bank PLC
Sutton 9
Leicester
Leicestershire
LE87 2BB

Reference and administrative information set out on pages 2-3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

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REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2024

BOARD OF TRUSTEE 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:

Simon Conway (resigned 30 December, 2023)

Jean Curd (Chairperson)

Gareth Jackson

Harry McKeown (appointed 5 August, 2024)

Kathryn Platts* (appointed 2 May, 2024)

Joshua Prince (appointed 27 October, 2023)

John Smith (appointed 11 May, 2023)

Matthew Smith*

Katie Winn* (resigned 16 April, 2024)

** Indicates a trustee of Thera Trust, the parent charity of Forward Housing.*

The trustee directors have no financial interest in the company, it being limited by guarantee.

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year ended 31 March, 2024

SENIOR MANAGEMENT

Harry McKeown (Managing Director) (resigned 2 August, 2024)

Joshua Prince joined the board of Forward Housing as a non-executive director on 27 October 2023. After the departure of the most recent Managing Director, Harry McKeown, on 2 August 2024, Joshua has been engaged by Forward Housing to provide services to the charity in relation to specific key pieces of work. For his part, Harry joined the Forward Housing board as a non-executive director on 5 August 2024 so that he could continue to support the charity across a range of technical projects that he had commenced whilst serving as the lead executive.

FORWARD HOUSING
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year ended 31 March, 2024

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

The trustees are pleased to present their report and financial statements for the year ended 31 March, 2024.

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;

FORWARD HOUSING
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year ended 31 March, 2024

- 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.

FORWARD HOUSING

REPORT OF THE DIRECTORS AND TRUSTEES

year ended 31 March, 2024

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to provide bespoke housing solutions for people with a learning disability.

Directors' and Strategic Report¹

An update from our Chairperson



“2023/24 has been a very challenging year for Forward Housing, as it has been for the housing sector in general. Although we continued to provide housing for 188 people during the year, ongoing economic pressures, increased regulatory requirements, and funding constraints left Forward Housing with a higher-than-expected level of voids and limited opportunities to progress affordable proposals for new developments.

However, the frustration of being unable to purchase and develop new properties was countered by providing the time and opportunity to review how we work and to identify ways in which we could improve our services. The review has been completed by our new Managing Director (who joined us in May 2023) and included an analysis of our current stock, improvements to reporting processes, closer monitoring of voids and health and safety

¹ Forward Housing seeks to make its annual report and accounts accessible to all of its readers, including those with a learning disability, whilst meeting all statutory requirements. This approach requires us to "tell the story" comprehensively for the year. Key information required as part of the strategic report (context to the financial statements, analysis of our performance and insight into our objectives, strategies and risks) is woven throughout and a single integrated report is therefore being provided.

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year ended 31 March, 2024

compliance, re-configuration of the staff team and a review of financial arrangements. We now have a clearer view on how we should adapt our services to ensure that we continue to provide the best service to our residents and partners. The resulting changes to our operation and services will ultimately provide a secure and well-thought-out position from which to lead the organisation into the next few years and will ensure that we are in a good position to meet any future challenges and to take advantage of future opportunities.

Notwithstanding the difficult operating environment, by the end of the financial year three new developments had been confirmed, with negotiations at an advanced stage. Further potential developments have been identified and we are expecting a return to a normal development program during the forthcoming year.

During the year, our Board has been strengthened with the introduction of two new members who bring with them a wealth of experience and knowledge. My personal thanks to our staff team, members of Forward Housing Board, all of our colleagues within the Group, our residents and their families for their continued support, help and assistance throughout the year. Going forward we are particularly looking forward to working closely with the new Thera Trust executive.

Simon Conway left the Board on 30th December 2023. We're sorry to lose his Thera knowledge, wise guidance and expertise and wish him the very best for the future.

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We know that there will be further challenges in the years to come but our Board will continue to focus on achieving our strategic aim of providing good quality and appropriate accommodation for people with a learning disability, whilst ensuring that the organisation remains financially sound. And the work completed in 2023/24 means that we are in a much-improved position to enable it to meet these challenges.”

Jean Curd
Chairperson

FORWARD HOUSING

REPORT OF THE DIRECTORS AND TRUSTEES

year ended 31 March, 2024



What is Important for Forward Housing²

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



Supporting people with a learning disability

² 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."

FORWARD HOUSING

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year ended 31 March, 2024



Forward Housing Helps People with a Learning Disability

support



last year



more



less



now

Number of people FH provided housing for last year (31 st March 2023)	188
People we helped move into our accommodation during the year	0
People we stopped providing accommodation for during the year	0
Number of people FH provided housing for this year (31 st March 2024)	188



Managing Director

An update from our Managing Director

As we reflect on the financial year 2023-2024, Forward Housing, a vital component of the Thera Group, has undergone significant developments and strategic shifts. After a period of under the leadership of Interim Director, Gareth Jackson, to whom we are extremely grateful – our new Managing Director seized the opportunity to review our

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year ended 31 March, 2024

operations, assess our capacity, and re-prioritise our initiatives. The highlights of these activities are as follows –



internal

Internalising Development and Construction

We evaluated our capacity for the construction phase of our development plans. After careful consideration, we made the strategic decision to bring our development and construction function in-house. By doing so, we aim to enhance quality control, streamline processes, and improve financial outcomes. This move aligns with our commitment to sustainable housing solutions for individuals with learning disabilities.



development

Property Developments

We successfully re-started property development initiatives, negotiating to lease three further properties shortly after the year-end. These additions expand our housing portfolio and enhance our capacity to serve individuals with learning disabilities. In future years, these will be recognised in the financial statements as an operating lease.



cash

Asset Disposals and Cashflow Management

Recognising the need for financial flexibility, we have explored the possibility of disposing of some of our owned stock. If enacted, these strategic asset sales will not only support our cashflow but also contribute to the overall financial health of the Thera Group.



board

Board Enhancements

We welcomed two new Trustees, John Smith, and Joshua Prince, to our Board. Their extensive experience and fresh perspectives enrich our

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governance. Additionally, we conducted a comprehensive review of the skills and expertise within our Board, ensuring alignment with our goals.



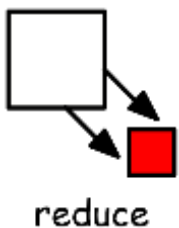
Housing Management Partner Evaluation

Our commitment to ensuring the people supported by Thera Group are provided with excellent services led us to scrutinise the services provided by our housing management partner. Based on this assessment, we have made some strategic decisions regarding the future of this partnership, which will take effect in the upcoming financial year (2024-2025).



Strengthening Relationships

We actively reinvigorated our relationships with the Thera Trust Board, Thera Group's regional support companies, and commissioning authorities. These collaborations are essential for achieving our mission and expanding our impact.



Reducing voids and void loss

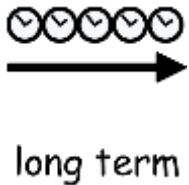
We focused on minimising void periods in our properties. Our efforts included streamlining our processes for, ensuring our housing management partners had effective void maintenance response times, and collaborating closely with Thera's regional support companies and local authorities to ensure swift re-occupancy. We also introduced a number of Void Agreements with local authorities, which provided for coverage for void loss during lengthy voids.

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Managing the Effects of the Scottish Rent Caps

Until March 31, 2024, there was a temporary cap on rent increases during most private tenancies in Scotland. Our team worked diligently with our funding partner and housing management provider to strike a balance between affordability for tenants and financial viability for our housing solutions.



Resolving Long-Standing Issues

We addressed operational and financial challenges that persisted over time, notably including resolving the non-payment of lease payments for our South Devon portfolio. This reinforced our commitment to financial stability and responsible management.



Housing Management system implementation

As part of our commitment to providing an excellent service to the people we support, Forward Housing moved to using a housing management and rent system, Arthur Online. This system offers robust features, including tenancy management, rent collection, maintenance tracking, and tenant communication.



Health and Safety Involvement

Our Managing Director now serves as a member of the Thera Trust Board's Health and Safety sub-committee. This role allows us to provide valuable insights and guidance on housing-related matters.

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Staffing team review

Our recent recruitment of a skilled Housing and Development Officer has proven invaluable. Their expertise in social care has positively impacted our operations, ensuring efficient project management and strategic decision-making. We also reviewed the role of PA to the Managing Director and increased their responsibilities to include coordination of our housing assets, which resulted in their new role of Housing Assets Officer.



Helping More People

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 utilised funds from Thera Trust's charity bond to provide more accommodation for people with a learning disability. These properties have been purchased directly by Forward Housing and then leased to a registered provider of social housing (a "housing association". The housing association grant tenancies to the people nominated to live in the new property. By March, 2024, Forward Housing had provided accommodation for more than 200 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 needs. Appropriate properties will continue to be acquired either through an agreement with Cheyne Capital 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.



housing

Forward Housing Provides Accommodation for People with a Learning Disability

As at 31 March, 2024, Forward Housing own 23 properties and leased 73 properties from Touchpoint Housing (FH) S.A.R.L. (a subsidiary of Cheyne Capital) ("Touchpoint").

As at 31 March, 2024, there were 188 people living in properties owned or leased by Forward Housing; this included the provision of six places in short break properties (31 March, 2023, total 181 including the provision of six places for short breaks). 3 new properties were successfully leased shortly after year-end, which will provide housing for 5 more people.

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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 2023-24

Our principal objectives for the year ended 31 March, 2024, 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 funding available to us and ensure targets on spend are achieved, including acquiring properties directly with the use of charity bond funding.
- ✓ Forward Housing also operates in Scotland and currently owns or leases 6 properties in a range of locations in Midlothian, providing housing for 10 people in total. We plan to increase our presence in Midlothian and other areas in response to demand from people with learning disabilities for high quality housing solutions.

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People Forward Housing Has Helped in 2023-24

As stated above, as at 31 March, 2024, there were 188 people living in properties owned or leased by Forward Housing; this included the provision of six places in short break properties (31 March, 2023, total 181 and six short-break places).

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 whom Thera already support but who need to move to a new property that better meets their needs.
- ✓ People who, for a number of reasons, were in danger of losing the security of their existing accommodation.

Public Benefit Statement

The Trustees have considered the public benefit generated by the Society and have concluded that:

- ✓ the aims of the Society continue to be charitable;
- ✓ the aims and work done give identifiable benefits to the charitable sector and, both directly and indirectly, to individuals in need;
- ✓ the benefits are for the public, are not restricted by ability to pay, and are not unreasonably restricted in any other way; and

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- ✓ there is no detriment or harm arising from the aims or activities.



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".

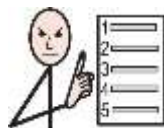
Total income from charitable activities in 2023-24 was £2.176m (2022-23 - £1.9m).

Forward Housing's reserves at the end of the year were higher than last year at £5.1m.(31 March, 2023 - £4.3m.) Whilst we made a loss on our charitable activities, property values offset this, resulting in an overall surplus for the year of £774k (31 March, 2023 - £-99k). Cash balances were £275k (31 March, 2023, £27k).

In the year ended 31 March 2024 a correction was made to correct the timing of when income was recognised, effectively moving it from a cash basis of accounting to an approach which better reflects the accruals principle. The impact this has on the financial statements is that effectively 13 months' worth of rent has been recognised in the year ended 31 March 2024, compared to 12 months in the year ended 31 March 2023. The impact this has on the financial statements is deemed

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immaterial and this revised approach to when rental income is being recognised will be consistently applied in future reporting periods.



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 £236k do meet this target. Trustees are reviewing their lease cost model including existing lease rents to increase revenue relative to costs.

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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.



Managing Forward Housing's Risks

The Board of Directors has identified and actively manages Forward Housing's key strategic risks through a comprehensive risk management strategy. Regular reviews of the risk register ensure that Forward Housing remains responsive to emerging challenges and maintains robust mitigation plans. The following key risk areas have been prioritised:

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Financial Risks:

Forward Housing faces challenges related to the availability of suitable capital and restrictions on income due to changes in welfare benefits legislation. To mitigate these risks, the Board works closely with funding partners to secure diversified and sustainable sources of capital. Regular financial reviews ensure that income streams, including tenant rent increases, are aligned with inflationary pressures and legislative requirements. Lease terms and agreements with housing providers also help minimise exposure to vacant tenancy losses.

Operational Risks:

Maintaining staff skills and capacity is critical to Forward Housing's operational success. To address this, the organisation invests in staff training, succession planning, and support systems to ensure continuity of operations. The Board also regularly evaluates Forward Housing's market offer to ensure alignment with the evolving needs of tenants and stakeholders.

Governance and Compliance Risks:

Strong governance is fundamental to Forward Housing's resilience. The Board has implemented a robust framework for oversight and challenge, ensuring that risks are identified and managed effectively. Compliance with health and safety regulations and other statutory requirements is supported by Thera Trust's Health and Safety Committee, providing an integrated mechanism for monitoring and addressing risks.

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External and Environmental Risks:

Forward Housing recognises the potential for reputational and legal risks arising from external providers of housing management. These are mitigated through rigorous due diligence processes and close collaboration with housing associations and other partners. The Board also monitors broader environmental and legislative changes, adapting policies and practices to maintain compliance and protect Forward Housing's interests.

By maintaining strong oversight and fostering collaborative relationships, Forward Housing ensures that these strategic risks are effectively managed, minimising their impact while enabling the organisation to focus on delivering high-quality housing for those in need of support.

In addition, the Board of Directors are aware of the inherent risks associated with property acquisition, adaptation, leasing and financing and have ensured that arrangements are in place to both manage and minimise risk to Forward Housing.

For example, one of the risks we face are vacant tenancies, which is largely mitigated in lease terms and conditions, through agreements with Thera support companies and by agreeing property disposal options with our partners. In the light of the changed inflationary environment, Directors continue to monitor progress with tenant rent increases awarded to our registered providers and the onward increase in rent received by Forward Housing from them.

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Forward Housing also faces risks from damage to key relationships with housing associations and other important stakeholders, the loss of people in vital leadership and management roles, the risks associated with litigation and pension issues and potential reputational damage.

During the year, Thera has maintained and constantly reviewed policy and guidelines in line with legal and regulatory requirements.

The Board continues to monitor the external regulatory, funding and employment law environment closely. Directors are satisfied that systems are in place to minimise the incidence and impact of risks to the extent to which these are in the control of Forward Housing.

In addition, Thera Trust Health and Safety Committee provides the formal mechanism in which Forward Housing safety representatives fulfil their obligations under health and safety legislation and in line with the Group's Health and Safety Policy.



Governance

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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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 £1.³



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.



Recruitment and Appointment of Forward Housing's 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.

Recruitment and appointment of new Trustees is managed through Thera Trust's Nominations Committee. This reinforces Forward Housing's commitment both to equality of opportunity and to creating a skilled, balanced and accountable Board of Trustees.

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

³ 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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responsibilities. All trustees are subject to references and enhanced DBS checks.

Trustees serve defined terms of office of up to four years, renewable for a second term of up to four years.

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.

All Trustees give their time freely and no Trustee received remuneration in the year for their services as a Trustee. Details of Directors' expenses are disclosed in note 11 to the accounts. Any related party transactions must be declared and there were no related party transactions reported in the year, other than those within the Thera Group.



Management of Forward Housing's Activities

During the year to 31 March, 2024, Thera Trust was responsible for providing corporate services to Forward Housing and, as delegated by the Trustees. Harry McKeown (Managing Director) was responsible for managing the activities of Forward Housing.

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Thera Trust News

Forward Housing's parent company, Thera Trust, has appointed four new Executive Directors. Three of whom were appointed at the end of December 2023, with a further person joining the executive team in February 2024.



Since the Year End

Our Managing Director left Forward Housing in August 2024, but has joined the board as a Non-Executive Director, to continue to support the charity. We wish Harry every success in his new role.

We successfully negotiated to lease 3 further properties (2 in Bury and 1 in Midlothian) which will be available for occupation in Q2 2024/25. We are pleased to have undertaken the construction phase of these developments internally, utilising a network of trusted contractors procured using a third-party platform that enables Forward Housing's officers to complete the necessary pre-qualification questioning, as well as stability, viability, and compliance checks.

As we move into a new financial year, Forward Housing remains committed to driving operational improvements that enhance our ability to deliver and enable further supported housing accommodation in a financially sustainable way. Our efforts have focused on:

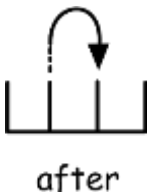
- ✓ Streamlining property sourcing and development processes to increase the availability of high-quality supported housing;

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- ✓ Strengthening partnerships with local authorities and housing providers to secure funding and ensure timely project delivery;
- ✓ Optimising operational efficiency by reviewing costs and prioritising investments that align with long-term growth and impact goals.

Throughout, we continue to ensure our focus is maintained on people with a learning disability and on our Vision that people can be leaders and can live the life they choose.

The Trustees intend to continue with Forward Housing's core activities during 2024-25 and in future years – subject to sourcing further funding and ensuring that our business model is subjected to sufficient stress testing.



What Is Happening after 31st March 2024

Forward Housing's access to the second tranche of the funding facility with Touchpoint (Cheyne Capital) comes to an end in October 2024. We will be working with Cheyne and other potential funding partners to negotiate access to capital funding to enable Forward Housing to continue to deliver on our mission.

Since the year end, Forward Housing has entered into negotiations with a potential buyer in relation to twelve of Forward Housing's owned properties. Negotiations are still in progress however from these

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discussions a revaluation gain of £750k would be anticipated when these properties are sold.

Further to the review of the performance and regulatory compliance of our housing management partner, we will be embarking on a partnership with a new, G1/V1 Regulator of Social Housing rated Registered Provider. Whilst a significant portion of the work will be completed in 2024/25 – it is likely for this to formally take effect from 2025/26.

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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

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

FORWARD HOUSING
REPORT OF THE DIRECTORS AND TRUSTEES
year ended 31 March, 2024

**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.

The Report of the Directors and Trustees, has been approved by the trustees 19 December 2024 and signed on their behalf by

Martin Pilkington
Secretary

FORWARD HOUSING
(A charitable company limited by guarantee)

**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, 2024 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, 2024 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)

FORWARD HOUSING
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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.

FORWARD HOUSING
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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.

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

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

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.

FORWARD HOUSING
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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.**

**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:

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

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

FORWARD HOUSING
(A charitable company limited by guarantee)

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

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.

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

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

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

We have been appointed as auditor under 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

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

This page explains how the Auditor checks the accounts.

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud 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;

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

- 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.
- 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.

FORWARD HOUSING
(A charitable company limited by guarantee)

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

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 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 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.

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

Jonathan Orchard (Senior statutory auditor)

19 December 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

**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
(A charitable company limited by guarantee)

SUMMARY OF MONEY

For the year ended 31 March, 2024

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

Money we got in	2,175,887
What we spent on our staff	(140,332)
Other money we spent	(2,215,826)
Revaluation of houses	<u>953,816</u>
Money we got in more than money we spent	<u>773,545</u>

What Forward Housing has at 31 March, 2024: **£**

Houses	11,914,313
How much cash we had in the bank	274,630
What we are owed by others	144,539
What we owe to other Thera companies	(7,076,375)
What we owe to others	<u>(183,221)</u>
Final amount the company had at 31 March, 2024	<u>5,073,886</u>

FORWARD HOUSING

(A charitable company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

for the year ended 31 March 2024

	Note	Unrestricted £	2024 £	Unrestricted £	2023 £
Income from:					
Charitable activities	3	2,175,887	2,175,887	1,907,932	1,907,932
Total income		<u>2,175,887</u>	<u>2,175,887</u>	<u>1,907,932</u>	<u>1,907,932</u>
Expenditure on:					
Charitable activities		2,356,158	2,356,158	2,275,570	2,275,570
Total expenditure	4	<u>2,356,158</u>	<u>2,356,158</u>	<u>2,275,570</u>	<u>2,275,570</u>
Net expenditure before net gains on investment properties		(180,271)	(180,271)	(367,638)	(367,638)
Net gains on investment properties	11	<u>953,816</u>	<u>953,816</u>	<u>268,327</u>	<u>268,327</u>
Net income / (expenditure) for the year being the net movement in funds	5	773,545	773,545	(99,311)	(99,311)
Reconciliation of funds:					
Total funds brought forward		<u>4,300,341</u>	<u>4,300,341</u>	<u>4,399,652</u>	<u>4,399,652</u>
Total funds carried forward		<u><u>5,073,886</u></u>	<u><u>5,073,886</u></u>	<u><u>4,300,341</u></u>	<u><u>4,300,341</u></u>

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 18 to the financial statements.

FORWARD HOUSING
(A charitable company limited by guarantee)

BALANCE SHEET
as at 31 March 2024

COMPANY REGISTRATION NUMBER 03821702

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible fixed assets	10		48,759		52,261
Investment properties	11		11,865,554		10,911,738
			11,914,313		10,963,999
Current assets:					
Debtors	12	144,539		66,334	
Cash at bank and in hand		274,630		26,531	
		419,169		92,865	
Current liabilities:					
Creditors falling due within one year	13	(183,221)		(252,202)	
Net current assets / (liabilities)			235,948		(159,337)
Total assets less current liabilities			12,150,261		10,804,662
Long term liabilities:					
Creditors falling due after one year	14		(7,076,375)		(6,504,321)
Total net assets	17		5,073,886		4,300,341
The funds of the charity:	18				
Unrestricted income funds:					
General funds		5,073,886		4,300,341	
Total unrestricted funds			5,073,886		4,300,341
Total charity funds			5,073,886		4,300,341

Approved by the trustees on 19 December 2024 and signed on their behalf by

Kathryn Platts
Trustee

Jean Curd
Trustee

FORWARD HOUSING
(A charitable company limited by guarantee)

STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

	Note	2024 £	£	2023 £	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)			773,545		(99,311)
Cash flows from operating activities:					
Net gains on investment properties		(953,816)		(268,327)	
Interest payable		338,770		331,698	
Depreciation charges		3,502		3,382	
Increase in debtors		(78,205)		(62,524)	
Increase in creditors		503,073		404,270	
			(186,676)		408,499
Net cash provided by operating activities			586,869		309,188
Cash flows from investing activities:					
Payments to acquire investment properties		-		(192,506)	
Net cash used in investing activities			-		(192,506)
Cash flows from financing activities:					
Interest paid		(338,770)		(331,698)	
Net cash used in financing activities			(338,770)		(331,698)
Change in cash and cash equivalents in the year			248,099		(215,016)
Cash and cash equivalents at the beginning of the year			26,531		241,547
Cash and cash equivalents at the end of the year	19		274,630		26,531

FORWARD HOUSING
(A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

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) 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.

g) 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.

FORWARD HOUSING
(A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

1 Accounting policies (continued)

h) 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.

i) 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:

Freehold buildings	5% straight line
- Property Adaptations	5% straight line

Where fixed assets have been revalued, any excess between the revalued amount and the historic depreciated cost of the asset will be shown as a revaluation reserve in the balance sheet.

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

j) 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 for 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.

k) 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.

l) 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.

m) 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.

n) 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.

o) 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.

p) Parent charity and financial support

An Intra-Group Agreement exists between Thera Trust and twenty six 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.

FORWARD HOUSING
(A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

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:

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

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, 2024, over a portfolio of 65 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.

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.

FORWARD HOUSING
(A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

3 Income from charitable activities

	Unrestricted £	2024 £	Unrestricted £	2023 £
Rent for accommodation of tenants	2,102,914	2,102,914	1,853,112	1,853,112
Service income	72,973	72,973	54,820	54,820
	<u>2,175,887</u>	<u>2,175,887</u>	<u>1,907,932</u>	<u>1,907,932</u>

Included in income from charitable activities are aggregate rentals receivable in relation to operating leases totalling £2,102,914 (2023: £1,853,112).

4 Analysis of expenditure

	Unrestricted £	2024 £	Unrestricted £	2023 £
Property costs	1,703,216	1,703,216	1,592,866	1,592,866
Support costs	310,670	310,670	347,624	347,624
Depreciation	3,502	3,502	3,382	3,382
Interest payable	338,770	338,770	331,698	331,698
Total expenditure	<u>2,356,158</u>	<u>2,356,158</u>	<u>2,275,570</u>	<u>2,275,570</u>

5 Net expenditure for the year

This is stated after charging:	2024	2023
	£	£
Interest payable	338,770	331,698
Depreciation:	3,502	3,382
Operating lease rentals:		
Property	1,589,616	1,453,045
Auditor's remuneration (excluding VAT):		
Audit	11,790	11,020
Other services	2,380	2,220
	<u>2,380</u>	<u>2,220</u>

Auditor's 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.

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

Staff costs were as follows:	2024	2023
	£	£
Salaries and wages	124,517	123,128
Social security costs	13,084	14,869
Employer's contribution to defined contribution pension schemes	2,731	3,625
	<u>140,332</u>	<u>141,622</u>

No employees were paid over £60,000 (excluding employer pension costs and employer's national insurance) in the year.

The total employee benefits (including employer pension contributions and employer's national insurance) of the key management personnel were £66,891 (2023: £56,197).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). Gareth Jackson, a charity trustee received payment for consultancy services supplied to the charity in the year amounting to £5,228 (2023: £4,537).

There were trustees' expenses in the current year of £3,059 (2023: £2,504). They represented the payment or reimbursement of room hire and travel and subsistence costs incurred by 7 members (2023: 4) relating to attendance at meetings of the trustees.

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7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 3 (2023: 3).

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

	2024 No.	2023 No.
Management and administration	3	3
	3	3

8 Related party transactions

In 2023 and 2024, Gareth Jackson, a director of Forward Housing, undertook consultancy services. The amount invoiced from Gareth A Jackson to Forward Housing during the current year amounted to £5,228 (2023: £4,537).

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 of £338,770 in 2024 (2023: £331,698).

9 Taxation

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

10 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	16,576	16,576
Charge for the year	3,502	3,502
At the end of the year	20,078	20,078
Net book value		
At the end of the year	48,759	48,759
At the start of the year	52,261	52,261

The above assets are used for charitable purposes.

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11 Investment properties

	Owned £	Leased £	2024 £	Owned £	Leased £	2023 £
Fair value at the start of the year	6,445,000	4,466,738	10,911,738	6,525,147	3,925,758	10,450,905
Additions including donations	-	-	-	192,506	-	192,506
Revaluation during the year	-	953,816	953,816	(272,653)	540,980	268,327
Fair value at the end of the year	<u>6,445,000</u>	<u>5,420,554</u>	<u>11,865,554</u>	<u>6,445,000</u>	<u>4,466,738</u>	<u>10,911,738</u>

In 2023, the trustees were provided with a valuation from Jones Laing LaSalle ("JLL") Residential Advisory Team, in accordance with the current RICS Valuation – Global Standards November 2021 (effective from 31 January 2022), which incorporates the IVS, published by the Royal Institution of Chartered Surveyors, and the RICS Valuation – Global Standards 2017 – UK national supplement (the RICS Red Book) of the properties that it owns. This valuation was at market value as at 31st March, 2023. 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. The trustees do not consider any further revaluation necessary at 31st March, 2024 because there have been no fundamental change in rent and cash flows on the properties however a professional revaluation will be taken at 31 March 2026.

Since the year end, Forward Housing has entered into negotiations with a potential buyer in relation to twelve of Forward Housing's owned properties. Negotiations are still in progress however from these discussions a revaluation gain of £750k would be anticipated when these properties are sold.

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 due to an increase in the underlying core costs which form the basis of the valuation.

12 Debtors

	2024 £	2023 £
Trade debtors	56,328	48,792
Other debtors	445	2,120
Prepayments and accrued income	87,766	15,422
	<u>144,539</u>	<u>66,334</u>

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	174,539	161,485
Taxation and social security	4,017	423
Other creditors	796	55,037
Accruals and deferred income	3,869	35,257
	<u>183,221</u>	<u>252,202</u>

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14 Creditors: amounts falling due after one year

	2024 £	2023 £
Amounts due to group undertakings	7,076,375	6,504,321
	<u>7,076,375</u>	<u>6,504,321</u>

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

15 Security

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

16 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 £2,731 (2023: £3,625). The amount outstanding in respect of this Scheme at the year-end was £766 (2023: £nil). At the balance sheet date there were 3 (2023: 2) active members of the scheme employed by the society.

17a Analysis of net assets between funds (current year)

	General unrestricted £	Total funds £
Tangible fixed assets	48,759	48,759
Investment properties - owned	6,445,000	6,445,000
Investment properties - leased	5,420,554	5,420,554
Net current assets	235,948	235,948
Creditors due after more than one year	(7,076,375)	(7,076,375)
Net assets at 31 March 2024	<u>5,073,886</u>	<u>5,073,886</u>

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Total funds £
Tangible fixed assets	52,261	52,261
Investment properties - owned	6,445,000	6,445,000
Investment properties - leased	4,466,738	4,466,738
Net current assets	(159,337)	(159,337)
Creditors due after more than one year	(6,504,321)	(6,504,321)
Net assets at 31 March 2023	<u>4,300,341</u>	<u>4,300,341</u>

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18a Movements in funds (current year)

	At 1 April 2023 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2024 £
General funds	4,300,341	3,129,703	(2,356,158)	-	5,073,886
Total funds	<u>4,300,341</u>	<u>3,129,703</u>	<u>(2,356,158)</u>	<u>-</u>	<u>5,073,886</u>

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

18b Movements in funds (prior year)

	At 1 April 2022 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2023 £
General funds	4,399,652	2,176,259	(2,275,570)	-	4,300,341
Total funds	<u>4,399,652</u>	<u>2,176,259</u>	<u>(2,275,570)</u>	<u>-</u>	<u>4,300,341</u>

Unrestricted funds

General funds

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

19 Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	Other changes £	At 31 March 2024 £
Cash at bank and in hand	26,531	248,099		274,630
Total cash and cash equivalents	<u>26,531</u>	<u>248,099</u>	<u>-</u>	<u>274,630</u>

20 Operating lease commitments

Forward Housing has entered into contracts with Touchpoint Housing (FH) S.A.R.L. to lease 65 (2023: 65) 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 for these properties is as follows for each of the following periods:

	Property	
	2024	2023
	£	£
Less than one year	1,631,702	1,498,150
One to five years	6,526,809	5,992,598
Over five years	13,269,280	13,683,142
	<u>21,427,791</u>	<u>21,173,890</u>

Forward Housing has entered into contracts with Empower Housing Association to lease them 18 (2023: 18) of Forward Housing's owned properties over a 20 year period, with the start date being the date of purchase.

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20 Operating lease commitments (continued)

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

	Property	
	2024	2023
	£	£
Less than one year	413,091	395,000
One to five years	1,652,362	1,580,000
Over five years	3,882,344	4,129,511
	5,947,797	6,104,511

21 Post balance sheet events

Since the year end, Forward Housing has entered into negotiations with a potential buyer in relation to twelve of Forward Housing's owned properties. Negotiations are still in progress however from these discussions a revaluation gain of £750k would be anticipated when these properties are sold.

22 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.