



**THE FORWARD TRUST
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 March 2017

Company Number: 02560474
Charity Number: 1001701

Contents

TRUSTEES' ANNUAL REPORT	2
<i>Introduction</i>	2
<i>Message from the Chair</i>	2
THE STRATEGIC REPORT	4
<i>Objectives and Principle Activities</i>	4
Strategic Aims	5
Plans for the Future	6
<i>Financial Performance</i>	6
<i>Principal Risks and Uncertainties & Risk Management</i>	8
<i>Structure, Governance and Management</i>	10
STATEMENT OF TRUSTEES' RESPONSIBILITIES	14
<i>Auditor's Report</i>	14
<i>Auditor's Report Continued</i>	16
<i>Financial Statements</i>	16
<i>Reference and Administrative Details</i>	38

TRUSTEES' ANNUAL REPORT

Introduction

The Forward Trust formerly "The Rehabilitation for Addicted Prisoners Trust" changed its name on 27th June 2017. The new name is to reflect the impending merger of RAPt and Blue Sky as well as the expansion of services which includes prison, community drug and alcohol services, family support and employment services.

The Board of Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their annual report and the financial statements of The Forward Trust (the "Charity" or the "Company") for the year ended 31 March 2017. The Forward Trust also owns a subsidiary, Blue Sky Development and Regeneration ("Blue Sky"), which carries out its own specific activities. We refer to the Charity and its subsidiary collectively as "the Group".

The Board of Trustees confirms that the annual report and consolidated financial statements are made under charity law, provide a strategic report and directors' report, and are produced as required by company law. They also fulfil the requirements of the reporting and accounting regulations set out in 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) issued by the Charity Commission in January 2015 ("SORP 2015").

The financial statements have been prepared following the accounting policies set out within the financial statements and comply with the Charity's Articles of Association and the relevant laws.

Message from the Chair

The annual report showcases a year of challenges and despite this we continue to support some of the most vulnerable and marginalised people in society to turn their lives around by helping them break the cycle of addiction, crime, unemployment and destructive behaviours.

We achieve this through provision of support to 15,000 people every year and providing drug and alcohol services in 20 prisons, 10 community programmes across, London, Hull, the Home Counties and East Kent, intensive substance dependence treatment programmes (known as RAPt programmes), family support and employment services.

All of this has been possible thanks to the outstanding efforts of our employees, senior managers, apprentices and volunteers. Many are in recovery from addiction or are ex-offenders themselves, including many former clients, helping us all to remember the central focus of all we do - to bring lasting and real change to those suffering with tough and complex lives. There is a proven way to help them in their journey to abstinence, and we will all continue to make that route to recovery and rehabilitation available to as many as possible.



Hon David Bernstein
Chair of Trustees

TRUSTEES' ANNUAL REPORT (continued)

Message from the Chief Executive Officer

The year 2016/17 has seen the consolidation of the two merged organisations – RAPt and Blue Sky – into a single charity/social enterprise now called The Forward Trust. At the time of writing, the merger and integration process is nearing completion, but for the year 2016/17, the two organisations are producing separate annual reports and accounts. The merger process has been accompanied by a restructuring of the Forward Trust's operations into four new divisions – Substance Misuse Services, Employment Services, Business Development, and Central Services. These structural and branding changes have given us a strong platform for pursuing our mission of supporting offenders and those struggling with addiction to make transformational changes to their lives.

Delivery of these services continues to be challenging – while our substance misuse services have been successful in winning and delivering on public sector contracts, and our employment services are successfully expanding their range of pathways to real jobs for ex-offenders, the financial and operating context in which our service delivery teams operate is still under strain, specifically:

- Continued cuts to public sector budgets are affecting all our areas of service provision. Commissioners are asking for more service for less money, while the level of need is expanding. We pride ourselves on the willingness of our teams to work hard and creatively, and our ability to find efficient ways of supporting our clients, but the reality is that the level of unmet need is increasing, and too many opportunities to promote recovery are being missed.
- Our community services are facing an increasing demand from a growing number of people facing marginalisation and social exclusion, with a diminishing social safety net – in particular owing to benefit changes, and the problems with the 'Transforming Rehabilitation' reform of probation services – meaning that mainstream support structures are less available to our client group.
- At the same time, the prison environment (in which most of our services are provided), remains under pressure, with officer numbers still too low to maintain control in many instances, resulting in changes to the daily timetable that limit prisoner access to rehabilitation programmes, and facilitating the growth in the market for drugs, particularly new psychoactive substances. We also have to register, and keep under constant review the increasing risks faced by our staff working in prisons, as the numbers of assaults and violent disorder increase.

Despite these pressures, our teams have found many ways to ensure our clients receive the support they need. In prison, we continue to refine our models of intervention to encompass high quality health care and health protection, motivational work, recovery pathways, and ongoing support – now including access to real jobs on release. We have proven models of delivery that succeed in engaging and motivating offenders to change, and have real lasting impact in terms of reduced offending, recovery from addiction, and increased employment.

In the community, we are excited about the range of employment and entrepreneurial opportunities being created for ex-offenders. We know that having a job reduces the likelihood of reoffending by up to 50 per cent, and that, for our clients, having the purpose and structure that comes with a job is vital in helping them stay strong in their recovery from addiction. The impact of this on an individual, their family and the wider community can be immensely positive and we look forward to helping to bring this to even more of our clients in the future.



Mike Trace
Chief Executive Officer

THE STRATEGIC REPORT

Objectives and Principle Activities

The Charity's objectives as stated within our Articles of Association are for the public benefit and particularly, but not exclusively, by working with offenders, ex-offenders and those at risk of offending:

- To relieve persons who are suffering from the effects of alcoholism, drug addiction or other forms of addiction or dependence to substances, persons engaged in substance misuse, and persons suffering from other compulsive disorders and related mental illnesses including but not limited to by the provision of treatment, advice, support, information and counselling to such persons and their families and dependants, and to assist in the rehabilitation and recovery of such persons;
- To advance the education:
 - and training of any person working in the field of alcoholism, drug addiction or other forms of addiction or dependence to substances, substance misuse, other compulsive disorders and related mental illnesses; and
 - of the public in all aspects of addiction problems, including alcohol and substance abuse;
- To promote research into the care and treatment of persons who are suffering from the effects of alcoholism, drug addiction or other forms of addiction or dependence to substances, persons engaged in substance misuse, and persons suffering from other compulsive disorders and related mental illnesses and to disseminate the results of such research to the public;
- To promote the care, resettlement and rehabilitation of offenders, ex-offenders and those at risk of offending, and to support their families and dependants, in particular (but without limitation) by providing, promoting, supporting or organising the recruitment, employment, education and training of offenders, ex-offenders and those at risk of offending and to assist them in finding employment or self-employment and accommodation and in rehabilitating themselves;
- To promote the prevention of crime and social exclusion by supporting or carrying on either alone or in co-operation with any other body, authority or person any project of scheme and by providing money for such purposes whether by loan or otherwise;
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the general public.

The diversification of services has been carried into the current three-year strategic business plan (2016-2019) that articulates both our annual work plans and our key activities. This year we undertook a six-month consultation process to review our strategic options, which led to some changes to our mission, priorities, and areas of activity:

Vision and Mission

We have retained our vision - that anyone, whatever their history of offending and/or addiction, can be helped to make lasting changes to their behaviour, and have the potential to live positive and fulfilling lives. Our mission remains to do everything we can to support these change processes, but our target client groups have broadened to include anyone with a history of offending or addiction.

Principles

We have always been keen to ensure that all our services are underpinned by a set of principles that represent our values and beliefs: that individuals need to approach their challenges with honesty, openness and a willingness to change; that any rehabilitation and support services need to be informed by evidence and proof of impact; and that our experience from 25 years of service is that key factors in any successful intervention are a clearly expressed belief in the capacity of people to change, a clear pathway of stepping stones towards that change, and the involvement of role models who have travelled that route to recovery. We have evidence that 12 Step treatment and recovery pathways are leading to abstinence with a high proportion of people with entrenched drug or alcohol dependence.

Public Benefit

In preparing the report, the Board of Trustees have considered the requirements of the Charities Act 2011 and have satisfied themselves that they have complied with the duties to have due regard to their 'Public Benefit' consistent with the guidance published by the Charity Commission. We have referred to the Charity Commission guidance on public benefit in reviewing our activities and objectives, and in planning future

The Forward Trust

THE STRATEGIC REPORT (continued)

activities. We have reviewed our reporting to ensure our activities clearly indicate public benefit through achievement of our aims.

Our main activities and achievements within these are described in "Objectives and Principal Activities". Broadly, our activities help advance health and save lives amongst our direct beneficiaries by the provision of treatment and support for substance misuse; we advance citizenship through reintegration support; and we deliver benefits to the wider public through the prevention of crime and destructive behaviour. In addition to the many thousands of prisoners who have received services from the charity, our programmes have also had a positive benefit for the families of the individuals we directly help, and also for the potential victims of crime.

Strategic Aims

In the Forward Trust business strategy, we outlined three strategic objectives:

- Increase the number of offenders or addicts who can achieve recovery and rehabilitation with the support of Forward Trust's services;
- Raise support for the concept of recovery and rehabilitation for offenders and addicts;
- Achieve a sustainable expansion of our services, while maintaining financial and administrative stability.

We can report the following progress and achievements against our organisational objectives in the year 2016/17:

Rehabilitating our Clients – We continued to deliver a wide range of services to offenders, and those with drug or alcohol problems. The total number of clients receiving our services was around 15,000. While the numbers of our clients positively engaging in rehabilitation pathways continued to increase, it has been disappointing to see a further drop in the number accessing our flagship 12 step rehabilitation programmes – a result of changing commissioning priorities, and difficult prison conditions.

Championing Recovery – We have consistently represented the view that recovery is possible for people with histories of offending, and drug or alcohol dependence, and that providing the right opportunities and level of support to this group should be a key priority for any strategy to reduce re-offending and promote reintegration. While there is general support in political and public institutions for this idea, this is not always reflected in the allocation of budgets. We will continue to work with Ministers and officials to increase the focus of policy and commissioning on promoting recovery, and to increase public confidence in the benefits of recovery by publicising the research data, and hundreds of personal stories, that constitute the evidence.

Expanding, Extending, Innovating – We have slightly increased our turnover and activity levels through increased activity in the offender employment sector, and a small expansion of some existing substance misuse contracts. Two significant tendering successes were achieved in the period of the report, but for implementation in 2017/18 – we won the contract to deliver comprehensive community substance misuse services in East Kent, and were re-awarded the contract to deliver substance misuse services in Kent prisons. The impact of these developments will be shown in the next set of accounts.

Meanwhile, the Blue Sky Business Plan contained the following strategic objectives:

1. To grow the commercial income by marketing to local authorities, housing associations and their grounds maintenance, waste, recycling contractors and to other private, public and voluntary sector organisations with similar service requirements.
2. To develop and recruit competent supervisors to oversee ex offender employees and to ensure quality standards are met.
3. To identify employment requirements and skills gaps of employers to therefore identify for training and employment opportunities for ex-offenders.
4. To build into the operational processes of the Charity rigour in both finance and governance.
5. To engage with charitable trusts and philanthropists, to ensure Blue Sky has sufficient income to complement its commercial activities and ensure it can achieve more impact.

These objectives are reported against in the Blue Sky Annual Report and Accounts, which is published separately for financial year 2016/17.

THE STRATEGIC REPORT (continued)

Plans for the Future

There is no doubt that the Forward Trust, like many others in the sector, faces challenges in delivering our mission. But with 25-years of experience in successfully supporting our clients to transform their lives, we are excited about the opportunities before us. We believe our approaches, which we know work, should be brought to many more people living tough and complex lives, to help them achieve real change and build productive and positive futures. That's why we have a new plan for prudent expansion with ambition to help bring lasting change to many more clients, and importantly to a more varied group of clients.

We will do this by continuing to deliver our prison substance misuse services (that are currently contracted in 20 prisons), while constantly refining our practice, both seeking to expand into more prisons, and extend our offer into the mental health and employment sectors. We will seek to offer more addiction recovery pathways in the community (based on the proven models we have developed in Hull, and have planned for East Kent), and expand our innovative 'recovery support' services to help those making progress in their recovery to get access to jobs, accommodation, and positive social networks.

Our main new area of expansion will be the development of models of recovery through work and training. Our new employment division will develop pathways that take offenders through pre-employability programmes (life skills and vocational training), and into real work – through direct placements within the Forward Trust, Blue Sky and partner enterprises, and through job placements into mainstream employers. We aim to become an established provider of offender employment services, delivering offender employment services to over 1,000 offenders per year, by April 2019.

Financial Performance

Financial Highlights

This Trustees' Annual Report and Accounts includes consolidated figures for the whole group, but Blue Sky is producing a separate Report and Accounts for the last time this year. It has been produced in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the FRS102 Charity SORP (Statement of Recommended Practice).

The Group's total income decreased by £2.73 million to £18 million. This income derives principally from contracts with local authorities, NHS Trusts or similar institutions, commercial contracts, fundraising activities including trust and grant income. Income from charitable activities, which represented 94 per cent of total income, decreased by 15 per cent on last year. Fundraising income for events increased by 104 per cent year-on-year from £0.45 million to £0.92 million

Principal funding resources are explained in the notes to the financial statements. These funds are directly applied to the delivery of addiction treatment services and development and regeneration services. Most of the funds raised from charitable foundations are restricted income for a specific activity that supports our core contracts.

The Statement of Financial Activities (SOFA) shows the analysis of charitable activities split between Substance Misuse/Health & Well Being Services, Family Services, Young People Services, Recovery Support Services, Residential Rehabilitation Services, Clinical Services, Blue Sky Services, Blue Sky Agency and Blue Sky Inside.

Total spending on charitable activities, at £17 million which is 16.2 per cent lower than last year.

Reserves Policy

The General Reserves Policy continues to protect our programme work from risk of disruption at short notice due to a lack of funds, while at the same time ensuring that we do not retain income for longer than required. The Policy also provides parameters for future strategic plans and contributes towards decision-making. It determines an appropriate target level for general reserves, taking into account the following factors:

- Vulnerability to unplanned changes in financial position including potential costs arising from the termination of services and delays in payment of invoices;
- The need for the Charity to invest in implementation and other start-up costs of new services;

THE STRATEGIC REPORT (continued)

- The Charity's requirement to manage fluctuations in cash flow;
- Net financial risks related to the above, taking into account the likely speed of onset as well as the mitigation steps available to management;
- The fact that expenditure is generally predictable and long term, with the exception of 'variable' spend on restricted programmes, where risks typically involve unplanned events such as a change in government policies.

On 31st March 2017, the Group's free reserves are £2.7 million (2016: £2.4 million) and represent unrestricted funds, excluding funds that have been designated and those funds tied up in fixed assets. The basis of determining the target reserves' level is kept under periodic review and will be adjusted as perceptions of risk and other factors change. Our total funds as at 31 March 2017 are £3.3 million (2016: £2.9 million).

There is a degree of judgement involved in identifying risks faced by the Charity and in establishing the appropriate level of reserves that the Charity should maintain to mitigate these risks.

The Trustees are of the opinion that the level of reserves is acceptable based on the level of activity, therefore the appropriate target range for free reserves is between £2.1 million and £4.3 million. This will also provide a buffer should Forward Trust group encounter adverse conditions in its market and on this basis, the Trustees also consider that Forward Trust group has adequate resources to continue the business for the foreseeable future.

Designated Funds (unrestricted)

Designated funds are those unrestricted funds that have been set aside by the Trustees for particular purposes.

The designated funds held at 31 March 2017 was £0.43 million (2016: £0.38 million), which is allocated to cover our estimated maximum liability for redundancy payments, potential pension liabilities and dilapidation costs on the Bridges Project and Head Office. Further details of the designated funds and their movements during the year are shown in Note 15 of the accounts.

Restricted Funds

These funds are used for specified purposes, as laid down by the donor. At 31 March 2017, unspent restricted funds were £0.23 million (2015-16: £0.18 million).

Going Concern

The Trustees consider that there are sufficient reserves held at the year-end to manage any foreseeable downturn in the UK economy and that the Charity has adequate resources to continue in operational existence for the foreseeable future and, for this reason, the Trustees continue to adopt the 'going concern' basis in preparing the accounts.

Investment Policy

The Trustees are able to invest the Charity's funds in a manner permitted by law, having regard to the suitability of investments. The Forward Trust's investments are held almost entirely in cash deposits. During the year, the average return on these investments was 0.25 per cent, compared with a base rate of 0.50 per cent throughout the period.

Key Management Personnel Remuneration

The Trustees consider the Board of Trustees and the Senior Management Team (which includes the Chief Executive Officer) as comprising the key management personnel of the charity in charge of directing, running, controlling the charity and operating the charity on a day-to-day basis.

All Trustees give their time freely and no Trustee remuneration was paid during the year. Details of any Trustee expenses and related party transactions are disclosed in Note 15 to the accounts.

In deciding appropriate pay levels, The Forward Trust aims to strike a balance between paying enough to recruit and keep people with the skills we need, meeting our contracting partners' needs, the public and our supporters' expectations that the money they entrust us with will be used wisely.

THE STRATEGIC REPORT (continued)

In setting Senior Management Team (SMT) pay, the Trustees take account of the skills and experience required for each of the roles and the remuneration in the sectors from which suitable candidates for such posts would be found. They also take account of affordability for The Forward Trust. We do not pay bonuses or other incentive payments. Pay increases to SMT and other employees are reviewed annually subject to good performance. The remuneration is also benchmarked against other competitors within the sector of a similar size to ensure that the remuneration is set fairly, and not out of line with that of generally similar roles.

Financial Risk Management

Services are subject to contracts, prices of goods are based on market prices, and salary costs are subject to a formal annual review. Our standard payment terms are 30 days. Credit risk on amounts owed by debtors is low. In terms of liquidity risk, The Forward Trust has no borrowings, and our policies on the management of investments and reserves are set out above.

Principal Risks and Uncertainties & Risk Management

In delivering our objectives, we face significant risks every day (whether that be to the safety of our staff, to our clients, to our financial health, a duty of care to those that attend our fundraising events etc.). We have robust procedures to evaluate, design and implement effective measures to reduce both the likelihood and the potential impact of these risks occurring.

Risk Policy

The Forward Trust carries out annual risk identification, assessment and management analysis. A register of risks has been compiled, with risks scored for likelihood, and impact severity. Risk management strategies and time scales are also established and reviewed at least annually. Individual senior managers or committees are nominated to take responsibility for each key risk, which is reviewed on a quarterly basis.

The Trustees reviewed how risk is managed within the Charity and the level of reserves that should be held in relation to the principal risks that we face.

The Trustees have also examined other operational and business risks through an organisational risk management process; have identified those risks, which the Charity faces; and confirm that they have established systems to mitigate the significant risks.

Key Risks

The following major risks were identified at an organisational level for the Group in 2016-17. For each risk, specific actions and performance indicators relating to them are were monitored quarterly by the relevant committee:

- Inconsistent or lack of strategic and financial planning and/or direction
- Lack of demonstrable impact, influence and reputational standing within our sector
- Inability to deliver effective services
- Loss of contracts and USP due to external factors out of The Forward Trust's control
- Poor and non-compliant delivery of clinical services
- Inability to recruit, retain and train skilled staff
- Inability to provide a safe working environment for staff due to external factors
- Insufficient access to, or volume of potential beneficiaries to maintain and fulfil its mission
- Unable to meet fundraising targets
- Substantial loss of key commercial contracts and unable to win new ones

Other key components of The Forward Trust's risk management include:

- A clinical governance framework
- Clear policies regarding safeguarding children and vulnerable adults
- Regular consideration by the Trustees of financial results and variance from budgets
- Delegation of authority and segregation of duties
- A strategic plan and annual budget approved by the Trustees - progress is reported regularly including monthly financial reporting of results

THE STRATEGIC REPORT (continued)

The Trustees consider management of the above risks by use of a strategic risk register which outlines each risk's likelihood, impact, severity, risk owner and the committee responsible for the risk. These risks are also reviewed on a regular basis and are standing agenda items during monthly supervisions of risk owners and quarterly committee meetings.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects to ensure consistent quality of delivery for all operational aspects of the Charity. These procedures are reviewed annually to ensure that they continue to meet the needs of the Charity.

The Trustees receive regular reports on compliance with regulatory and statutory frameworks including those in respect of the health and safety of staff and clients.

Auditor

A resolution proposing the reappointment of Haysmacintyre as the group auditor will be submitted at the Annual General Meeting.



Ben Houghton
Treasurer

Structure, Governance and Management

Governing Document

The Forward Trust is a charity registered in England and Wales (Charity Number: 1001701) and a UK company limited by guarantee (Company Registration Number: 02560474). The governing document is the Articles of Association that determine its legal framework. The Charity does not have any share capital.

Board of Trustees (Directors)

As at 1 April 2017, the following members of the Board of Trustees were registered as Directors of the company:

Chair	Hon David Bernstein Lady Gibbings
Honorary Treasurer	Ben Houghton Hon Isabelle Laurent John Mason Dame Benita Refson OBE Ronald Sheldon Marsha Taylor Rev. John Wates JP OBE Andrew Wylie

The Directors of the Charity, who are the Charity's Trustees, form the Board of Trustees which is its ultimate governing body. The size of the Board will normally comprise of 8-10 trustees whom we have listed above. The Board of Trustees is responsible for ensuring that all activities are within UK law and fall within the agreed charitable objectives. Its work includes governance, setting the strategic direction, ensuring the Charity upholds its values and delivers its objectives, and agreeing the financial plan.

The Board of Trustees reviews a schedule of matters reserved to them and delegates certain responsibilities to the Trustee sub-committees and the Chief Executive Officer. The day-to-day running of the Charity has been delegated to the Senior Management Team (Chief Executive Officer, Deputy Chief Executive, Director of Human Resources, Director of Finance & Operations, Director of Services and Director of External Affairs). This structure was reviewed in the summer of 2017, and details of the new leadership structure will be included in next year's report.

The Board of Trustees meets quarterly to consider strategic business issues. Each year we approve the annual budget and review the strategic plan of the Charity.

The Trustees and Chair are appointed for an initial period of three years that can be extended for further three-year terms. Any further extension may be made if it is deemed to be in the best interests of the Charity.

The Trustees are recruited to provide the skills and experience required to govern the Charity. We seek to appoint Trustees from among our trustees' network and external advertisement. Recommendations for appointments are made to the Board by the Chair which is then ratified by the Board.

New Trustees are provided with information on legal obligations under Charity and Company Law, the Charity Commission guidance on public benefit; and inform them of the content of the Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity. The new Trustee will also spend a day meeting key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The Chair is an ex officio member of all Committees. Any Trustee may attend any Trustee sub-committee meeting. The sub-committees each have specific responsibilities on behalf of the Charity as outlined below. They provide counsel, expertise and support to the Senior Management Team. Individual Trustees also take reasonable steps to ensure there is regular and direct contact between Trustees, staff, volunteers and people who use our services at a local level. There are annual scheduled visits to Programmes by Trustees with an SMT member.

Finance and General Purposes Committee

The committee members comprise five Trustees (Ben Houghton, Hon David Bernstein, Hon Isabelle Laurent, Ron Sheldon and Rev John Wates JP OBE) together with the Chief Executive, Director of Finance &

Structure, Governance and Management (continued)

Operations and Director of Human Resources. The Committee is responsible for the oversight of all aspects of the Charity's financial policies and operations, including human resources' issues. It monitors the short and long-term financial viability of the Charity, ensuring there are sufficient resources to fund its commitments. The committee reviews and approves for recommendation the Investment and Reserves Policy, and monitors the effectiveness of the Charity's risk management and internal control systems. It reviews the annual financial plans of the Charity and monitors performance against plans and recommends action where necessary. The committee also reviews all issues concerning human resources (includes sickness, staff turnover, diversity) IT, administration, health & safety issues. It met four times during the year.

Clinical Governance Committee

The Clinical Governance Committee has responsibility for implementation and monitoring of effective clinical governance throughout the organisation. The Committee consists of four Trustees (Hon David Bernstein, Lady Louise Gibbings, Dame Benita Refson OBE, Marsha Taylor), the Deputy Chief Executive, the Director of Services, the Clinical Director, the Head of Governance and Quality, the Head of Recovery Support, the Head of Research and a nurse consultant.

The Clinical Governance Committee is responsible for ensuring the collection and analysis of data and other information sufficient to ensure effective clinical governance, ensuring the input of clinical leadership and advice, promoting quality of care, including the safety and wellbeing of service-users, families and carers; and the safeguarding of children and vulnerable adults.

Managing a culture and processes of continuous improvement and innovation; ensuring that delivery keeps up to date with research and best practice; facilitating an examination and review of significant events and incidents; ensuring audits of services are undertaken and acted upon; and ensuring compliance with legislation and contractual obligations are also within the remit of the committee.

External Affairs Committee

The committee members include four trustees (Hon David Bernstein, Hon Isabelle Laurent and Lady Louise Gibbings, Dame Benita Refson OBE) and the Chief Executive together with Director of External Affairs and Director of Finance & Operations. All the meetings are chaired by a Trustee. The committee met four times in the year and is responsible for oversight of the Charity's fundraising, communications and marketing strategy.

Oversight of our Subsidiary – Blue Sky

The Forward Trust maintains oversight of Blue Sky through the Board of Trustees which comprises of three co-opted Trustees by Blue Sky and four Trustees nominated by The Forward Trust. Blue Sky's Managing Director (also Director of Employability for The Forward Trust) forms part of The Forward Trust's Senior Management Team and attends all meetings.

There are also monthly meetings between The Forward Trust's CEO and Blue Sky's Managing Director which helps to ensure that the teams of both organisations work more cohesively. This is also supplemented by additional financial and risk oversight provided by the Treasurer who is also the Director of Finance & Operations for The Forward Trust.

We are continuing to integrate operational and governance functions, and will complete the legal processes of merger in financial year 2017/18.

Public Benefit

In preparing the report, the Board of Trustees have considered the requirements of the Charities Act 2011 and have satisfied themselves that they have complied with their duty to have due regard to the 'Public Benefit' guidance published by the Charity Commission.

We have referred to the Charity Commission guidance on public benefit in reviewing our activities and objectives, and in planning future activities. We have reviewed our reporting to ensure our activities clearly indicate public benefit through achievement of our aims.

Our main activities and achievements within these are described in "Objectives and Principal Activities". Broadly, our activities help advance health and save lives amongst our direct beneficiaries by the provision of treatment and support to rehabilitate substance misusers; we advance citizenship through reintegration support; and we deliver benefits to the wider public through the prevention of crime and destructive behaviour. In addition to the many thousands of prisoners who have received services from the Charity, our programmes

Structure, Governance and Management (continued)

have also had a positive benefit for the families of the individuals we directly help, as well as about the wider community through reducing reoffending among some of the most prolific offenders.

Supporting Our Employees and Volunteers

As at 31 March 2017 we employed an average of 345 staff, a decrease of 23% on the number of people we employed at 31 March 2016. This is a slightly artificial snapshot, as over 80 new employees were added to our payroll on May 1st 2017, as we took on the delivery of the East Kent contract.

Achieving our desired transformational changes will depend on the expertise and motivation of those who work with us and we have continued throughout the last year with efforts to support our workforce to adapt to the changes in the way that we work.

We have a strong commitment to develop the diversity of our staff and volunteers through equal opportunity policies, training and practical action. As at 31 March 2017 the representation of women in our total workforce was 71.22%. The percentage of staff from an ethnic minority rose slightly to 28.70% of the total workforce for whom their ethnic origin is known.

We remain particularly indebted to the commitment of the 14,994 hours volunteered to us during the year. Our volunteers work tirelessly in various projects - these incredible people are at the heart of everything that we do.

While impossible to put a specific financial value on their contribution, our services and events simply would not be possible without them. The roles vary from project to project, and event to event: it might be a few hours or entire days. Whatever their role, our volunteers provide incredible amounts of their time to The Forward Trust, and we are enormously grateful.

We are committed to strengthening skills training for all our volunteers, ensuring that they are able to gain new experiences and feel they have a greater connection to our work.

The Charity is strengthened by the number of people in recovery who are involved in the day to day operation at all levels – from Board members to ‘peer supporters’ – serving prisoners who volunteer to support our programme delivery – in the year 2016/17, an average of over 30% of our paid staff had their own lived experience of being in recovery from drug or alcohol addiction.

During the year, regular communications to employees have been provided on matters affecting them, including factors affecting the Charity’s progress, and they have been consulted on decisions affecting them through the Staff Representative Group.

Apprentices

We developed an Apprenticeship Scheme for people in recovery in 2014, and recently took on our 100th apprentice through this award winning scheme. Since the commencement of the scheme, 75% of apprentices gained employment after their apprenticeship.

We are now leveraging this experience to provide new opportunities for those affected by substance misuse or with a history of offending behaviour through our employability directorate and are excited about future possibilities.

Staff Representative Group

The Staff Representative Group is an important element in our quest to be fully inclusive, championing employee involvement and two-way communication between management and employees.

We wish to ensure that all employees are well informed about matters that directly relate to their employment terms and conditions, and also have the opportunity to communicate their views to the Senior Management Team.

The Staff Representative Group membership represents all employees employed by The Forward Trust. It provides a forum to share information and consult on proposed changes to employees’ contractual terms and conditions and the policies that sit alongside them.

Structure, Governance and Management (continued)

It is not intended to replace or undermine other methods and channels of communication, but rather to enhance them. It is intended to:

- Promote an exchange of views between managers and employees on issues pertinent to the above;
- Test new ideas and approaches with employees;
- Provide an opportunity for the views of employees to be taken into account in making decisions which are likely to affect them directly;
- Staff representatives attend meetings on behalf of all employees within the group they represent. They have a responsibility to canvas the views and concerns of their constituents prior to meetings and provide feedback following the meetings.

A handwritten signature in blue ink, appearing to read 'David Bernstein', with a long horizontal flourish extending to the right.

Hon David Bernstein
Chair of Trustees

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company and charity law requires the Trustees 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 the group and of the net movement in funds and application of resources, including the income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable company and group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees 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 financial statements may differ from legislation in other jurisdictions.

In so far as we are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

The auditor, haysmacintyre is willing to be re-appointed in accordance with section 485 of the Companies Act 2006.

APPROVAL

The Trustees' Report, incorporating the Strategic Report, was approved and authorised by the Board of Trustees on 21 November 2017 and signed on their behalf by:



Hon David Bernstein
Chair of Trustees
Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE FORWARD TRUST

Opinion

We have audited the financial statements of The Forward Trust for the year ended 31 March 2017 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheet and the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31st March 2017 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 group 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 14, 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 group's and the parent 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 group or the parent 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

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.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE FORWARD TRUST

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Chair's Statement. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report (which incorporates the strategic report and the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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



Murtaza Jessa (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

Date: 21 November 2017.

26 Red Lion Square
London
WC1R 4AG

The Forward Trust

Consolidated Statement of Financial Activities

For the year ended 31 March 2017 (including consolidated income and expenditure)

	Notes	Restricted Funds £'000	Unrestricted Funds £'000	2017 Total Funds £'000	2016 Total Funds £'000
INCOME:					
Donations and legacies	2	954	154	1,108	809
Charitable activities	3				
<i>Substance Misuse</i>		-	12,520	12,520	15,660
<i>Family Service</i>		-	290	290	276
<i>Young People Services</i>		-	169	169	167
<i>Recovery Support Services</i>		-	316	316	402
<i>Residential Rehabilitation Services</i>		-	404	404	275
<i>Clinical Services</i>		-	1,449	1,449	1,382
<i>Blue Sky Development & Regeneration Services</i>		376	1,574	1,950	2,010
Investment Income		-	3	3	6
Income from Other Trading Activities		-	46	46	-
Total income		1,330	16,925	18,255	20,987
EXPENDITURE:					
Costs of raising funds	5				
<i>Raising funds</i>		-	337	337	243
Expenditure on charitable activities	5				
<i>Substance Misuse</i>		515	12,383	12,898	15,616
<i>Family Service</i>		-	300	300	278
<i>Young People Services</i>		-	182	182	168
<i>Recovery Support Services</i>		313	133	446	405
<i>Residential Rehabilitation Services</i>		75	338	413	426
<i>Clinical Services</i>		-	1,506	1,506	1,391
<i>Blue Sky Development & Regeneration Services</i>		376	1,460	1,836	1,905
Total expenditure	5	1,279	16,639	17,918	20,432
Net income/(expenditure)		51	286	337	555
Transfers between funds					
Other recognised gains and losses:					
Actuarial gains/(losses) on defined benefit pension scheme		-	63	63	(11)
Net movement in funds		51	349	400	544
Reconciliation of funds					
Total funds brought forward		175	2,769	2,944	2,400
Total funds carried forward		226	3,118	3,344	2,944

The notes on pages 20 to 37 form part of these financial statements

The statement of financial activities includes all gains and losses recognised in the year.

All amounts derive from continuing activities.

Full comparative figures for the year ended 31 March 2016 are shown in note 25.

The Forward Trust
Consolidated and Charity Balance Sheet
For the year ended 31 March 2017

		2017		2016	
	Notes	Group £'000	Charity £'000	Group £'000	Charity £'000
FIXED ASSETS					
Tangible assets	10	5	4	13	9
CURRENT ASSETS					
Debtors and prepayments	11	1,911	1,599	2,452	2,320
Cash at bank and in hand		3,444	2,717	3,159	2,427
		<u>5,355</u>	<u>4,316</u>	<u>5,611</u>	<u>4,747</u>
CREDITORS: amounts falling due within one year	12	(2,016)	(1,517)	(2,680)	(2,238)
NET CURRENT ASSETS		<u>3,339</u>	<u>2,799</u>	<u>2,931</u>	<u>2,509</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>3,344</u></u>	<u><u>2,803</u></u>	<u><u>2,944</u></u>	<u><u>2,518</u></u>
FUNDS					
Unrestricted funds					
General reserves	15/16	2,685	2,184	2,389	1,963
Designated funds	15/16	433	393	380	380
		<u>3,118</u>	<u>2,577</u>	<u>2,769</u>	<u>2,343</u>
Restricted funds	15/16	<u>226</u>	<u>226</u>	<u>175</u>	<u>175</u>
		<u><u>3,344</u></u>	<u><u>2,803</u></u>	<u><u>2,944</u></u>	<u><u>2,518</u></u>

The financial statements were approved and authorised for issue by the Board of Trustees on 21 November 2017 and signed on their behalf, by:


.....
Ben Houghton
Trustee


.....
Hon David Bernstein
Trustee

The notes on pages 20 to 37 form part of these consolidated financial statements.

The net income position for the parent charity for the financial year to 31 March 2017 was £223k (2016: £450k).

The Forward Trust
Consolidated Cash Flow Statement
For the year ended 31 March 2017

	Total funds 2017		Total funds 2016	
	£'000	£'000	£'000	£'000
Cash flows from operating activities		1,056		610
Cash flows from investing activities:				
Dividends, interest and rents from investments	5		(6)	
Purchase of property, plant and equipment	(8)		(3)	
Net cash provided by (used in) investing activities		(3)		3
Increase/(decrease) in cash and cash equivalents in the reporting period		1,053		613
Cash and cash equivalents at the beginning of the reporting period		2,391		2,546
Cash and cash equivalents at the end of the reporting period		3,444		3,159
		2017		2016
		£'000		£'000
Reconciliation of net movement in funds to cash flow from operating activities				
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		337		555
Add back net pension service costs net of finance cost		-		-
Depreciation charges		13		24
Losses/(gains) on investments		-		-
Dividends, interest and rents from investments		(3)		(6)
Loss/(profit) on disposal of fixed assets		(1)		(5)
Decrease in debtors		581		460
Decrease/(increase) in creditors		77		(417)
Net cash provided by/(used) in investing activities		1,056		610
Analysis of cash and cash equivalents		2017		2016
		£'000		£'000
Cash in hand at the beginning of the reporting period		3,159		2,546
Total cash and cash equivalents		3,444		3,159

The Notes on pages 20 to 37 form part of these consolidated financial statements.

1. Accounting Policies

Status of the Charitable Company

The Forward Trust is a charitable company registered in England, a Limited Company by guarantee without share capital use of 'Limited' exemption limited by guarantee and not having share capital. It is a registered charity with its registered office at The Foundry, 17 Oval Way, London, SE11 5RR and is not liable to direct UK taxation on its charitable activities.

Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements of The Forward Trust 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) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Forward Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The consolidated financial statements incorporate the results of The Forward Trust and all its subsidiary undertakings from the date control commences. Details of subsidiary undertakings can be found in Note 8.

Going Concern

The Trustees have reviewed the circumstances of the Charity and consider that adequate resources continue to be available to fund their activities for the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

Group financial statements

The financial statements consolidate the results of the Charity and its subsidiary's undertakings on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The net income of the parent Charity was £223k (2016: £450k).

Income

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

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

Recognition of income is deferred where condition specify that such income relates to future accounting periods. Where donors specify that funds are for specific purposes such income is included in incoming resources of restricted funds.

1. Accounting Policies (continued)

Grant Income

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognized when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment Income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

Donations & Legacies

Income from donations and legacies includes donations and gifts in wills which are recognised where there is entitlement, probability of receipt and the amount of the gift is measurable. Income from donations, covenants and gift aid includes receipts from fundraising events. Donations together with the resulting tax credit from gift aid, is credited directly to the statement of financial activities on an accruals basis. Donations and all other receipts (including capital receipts) from fundraising are reported gross and the related fundraising costs are reported in raising funds.

Fund Accounting

General funds are unrestricted funds which 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Expenditure

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

Cost of raising funds comprise the direct and indirect costs associated in the day-to-day running of a Fundraising Department.

Expenditure on charitable activities includes the costs of all activities undertaken to further the purposes of the charity relating to the strategic vision and their associated support costs.

Direct costs are allocated on an actual basis to the relevant expenditure headings.

Support costs are allocated between expenditure headings on the basis of time spent and the number of staff working on projects and activities. Governance costs is allocated in line with the support costs.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Employee benefits

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS102.

Operating Leases

Rentals payable under operating leases, are charged to the SOFA on a straight-line basis over the lease term.

1. Accounting Policies (continued)

The Forward Trust strives to ensure that its property leases are co-terminus with its contracts. Where a property lease is longer than the initial contract we strive to ensure the break clauses are in place.

Pension Costs

The Charity operates five defined benefit pension schemes on behalf of its employees. The Pension Scheme has been accounted for in accordance with FRS 102.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments.

The Group operates a number of defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of the Group in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year.

Fund accounting

Restricted Funds

Restricted Funds comprise funds subject to specific restrictions imposed by the donors. Expenditure that meets these criteria is charged to the fund, together with an allocation of management and support costs. The purposes and uses of the Restricted Funds are set out in Note 15 to the financial statements.

Unrestricted Funds

Unrestricted funds comprise general funds which represent accumulated balances on the income and expenditure account and designated funds which the Trustees have identified for specific purposes. The funds are available for use at the discretion of the Trustees to further expand the aims of the Charity.

Tangible Fixed Assets

Tangible fixed assets costing over £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation has been provided on the straight-line method to write off the cost of tangible fixed assets on a straight-line basis over their considered useful economic lives as follows:

- Furniture, fixtures and fittings over 3 years
- Computer equipment over 3 years
- Motor vehicles & equipment over 3 years

A full year of depreciation is charged in the year of acquisition.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash equivalents are used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1. Accounting Policies (continued)

Debtors

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

Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments

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.

Share Capital

The Company has no share capital but is limited by guarantee. The members of the Company are the Trustees who are also ordinary members. 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.

Taxation

The Company is a registered charity and therefore is not subject to Corporation Tax on surpluses arising from charitable activities. The Charity is not registered for VAT purposes. VAT is paid on inputs (purchases/costs) and is charged to the relevant expense category.

Judgement in applying accounting policies and key resources of estimation uncertainty

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. Although these estimates are based on Management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The Trustees consider the following items to be areas subject to estimation and judgement.

Depreciation:

The usual economic lives of tangible fixed assets are based on Management's judgement and experience. When Management identifies that actual useful lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. As tangible fixed assets are not significant, variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically no changes have been required.

Pensions:

The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

2. Income from donations and grants	2017 £'000	2016 £'000
Individual donations	25	27
Trust and Corporate	954	700
Events Income	92	45
Other Income	37	37
	<u>1,108</u>	<u>809</u>

3. Income from charitable activities	2017 £'000	2016 £'000
Substance Misuse	12,520	15,660
Family Services	290	276
Young People Services	169	167
Recovery Support Services	316	402
Residential Rehabilitation Services	404	175
Clinical Service	1,449	1,382
Blue Sky Development & Regenerations	1,950	2,010
	<u>17,098</u>	<u>20,172</u>

4. Analysis of Group Expenditure

	Direct Costs Staff £'000	Other Direct Costs £'000	Support Costs £'000	2017 Total £'000	2016 Total £'000
Substance Misuse Services	9,723	1,359	1,816	12,898	15,616
Family Services	226	33	41	300	278
Young People	137	20	25	182	169
Recovery Services	329	115	2	446	405
Residential Rehabilitation Services	278	85	50	413	426
Clinical Services	1,131	171	204	1,506	1,391
Costs of Raising Funds	231	56	50	337	242
Blue Sky Development & Regeneration	987	134	715	1,836	1,905
	<u>13,042</u>	<u>1,973</u>	<u>2,903</u>	<u>17,918</u>	<u>20,432</u>

5. Analysis of Support Costs

	Executive & Central Admin £'000	Resources £'000	Governance £'000	2017 Total £'000	2016 Total £'000
Substance Misuse	664	932	220	1,816	1,458
Family Services	15	21	5	41	26
Young People Services	10	12	3	25	16
Recovery Support Services	1	1	-	2	37
Residential Rehabilitation Services	19	25	6	50	32
Clinical Services	75	105	24	204	129
Forward Trust – Costs of Raising Funds	19	25	6	50	29
Blue Sky	557	150	8	715	717
	<u>1,360</u>	<u>1,271</u>	<u>272</u>	<u>2,903</u>	<u>2,444</u>

The basis of allocation of the above costs are based on staff time, numbers and usage.

6. Governance costs include:

	2017 £'000	2016 £'000
Staff costs	187	132
Legal and professional fees	49	71
Audit fees and other fees payable to auditor	26	24
	<u>262</u>	<u>227</u>

7. Net income for the year

	2017 £'000	2016 £'000
This is stated after charging:		
Depreciation	24	30
Auditor's remuneration (excludes VAT)		
Audit group accounts	21	22
Audit subsidiary accounts	7	6
Operating lease charges		
Property	381	471
Other	53	12
	<u></u>	<u></u>

8. Subsidiary Charity

On 1 October 2014, the Charity became the sole member of Blue Sky Development and Regeneration, a charitable company limited by guarantee. The results of Blue Sky Development and Regeneration have been consolidated from this date. The following is a summary of the financial statements of Blue Sky Development and Regeneration for the year ended 31 March 2017:

The wholly owned subsidiary **Blue Sky Development and Regeneration** is incorporated in **England and Wales** (company number: 05639379).

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

Statement of Financial Activities	Restricted	Unrestricted	Total	Total
	Funds 2017 £	Funds 2017 £	Funds 2017 £	Funds 2016 £
Income:				
Donations and legacies	87,500	280,195	367,695	237,674
Charitable activities	288,039	1,290,759	1,578,798	1,761,783
Investments		1,561	1,561	2,474
Other		2,007	2,007	8,065
Total	375,539	1,574,522	1,950,061	2,009,996
Expenditure:				
Raising funds		105,868	105,868	96,958
Charitable activities	375,539	1,354,577	1,730,116	1,807,894
Total	375,539	1,460,445	1,835,984	1,904,852
Net income	-	114,077	114,077	105,144
Net movement in funds	-	114,077	114,077	105,144
Reconciliation of funds:				
Total funds brought forward	-	427,220	427,220	322,076
Total funds carried forward	-	541,297	541,297	427,220

Balance Sheet

	2017	2016
	£	£
Fixed assets:		
Tangible assets	1,472	3,564
Current assets:		
Debtors	311,762	132,265
Cash at bank and in hand	727,083	732,241
Total current assets	1,038,845	864,506
Liabilities:		
Creditors: amounts falling due within one year	(499,020)	(440,850)
Net current assets	539,825	423,656
Total net assets	541,297	427,220
Funds		
Unrestricted funds	501,297	427,220
Designated funds	40,000	-
Total funds	541,297	427,220

9. Staff numbers and costs

			2017	2016
			£'000	£'000
The average number of employees during the year, excluding trustees/directors was 360 (2016: 448):				
	Parent	Subsidiary	Total	Total
Charitable	292	9	301	390
Administration	53	6	59	58
	<u>345</u>	<u>15</u>	<u>360</u>	<u>448</u>

Staff costs were as follows:

	Group	Group
	£'000	£'000
Salaries and wages	10,753	12,953
Social security costs	926	1,123
Pension contributions	535	645
Operating costs of the defined benefit pension scheme	33	40
Redundancy and termination costs	77	33
Other forms of employee benefit (Life Assurance)	40	31
	<u>12,362</u>	<u>14,785</u>

Directors' emoluments

- -

The number of employees whose annualised earnings were over £60,000 per annum:

£60,000 - £69,999	4	5
£70,000 - £79,999	3	2
£90,000 - £99,999	-	-
£100,000 - £109,999	<u>1</u>	<u>1</u>

In respect of the higher paid employees above, contributions for the provision of pension benefits totalled £53k (2016: £51k).

The total employee benefits of the key management personnel of the Group were £938k (2016: £870k). Of this, £586k (2016: £535k) relates to the key management personnel of the charity. The key management personnel of the group are considered to be Chief Executive Officer, Deputy Chief Executive Officer, Director of Finance & Operations, Director of Human Resources, Director of External Affairs, Clinical Director and Director of Services. One member of the team was paid on an invoice basis. Within our subsidiary we have the following key management personnel: Managing Director, Development Director, Commercial Director, Teams' Director and Financial Controller.

During the year no Trustee received any remuneration (2016: £Nil).

During the year no Trustee received any benefits in kind (2016: £Nil).

No Trustee received any reimbursement of expenses or amounts that were paid directly to third parties (2016: £Nil).

10. Tangible Assets

Group	(Total) Fixtures, fittings, motor vehicles & equipment £'000
Cost	
At 1 April 2016	129
Additions in year	8
Disposals	(13)
	<u>123</u>
At 31 March 2017	
Depreciation	
At 1 April 2016	116
Charged in year	15
Disposals	(13)
	<u>118</u>
At 31 March 2017	
Net Book Value	
At 31 March 2017	<u>5</u>
At 31 March 2016	<u>13</u>
Parent Charity	
Cost	
At 1 April 2016	102
Additions in year	6
	<u>108</u>
At 31 March 2017	
Depreciation	
At 1 April 2016	93
Charged in year	11
	<u>104</u>
At 31 March 2017	
Net Book Value	
At 31 March 2017	<u>4</u>
At 31 March 2016	<u>9</u>

11. Debtors: due within one year

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Trade debtors	1,716	1,410	2,278	2,148
Other debtors	14	14	30	30
Prepayments & accrued income	181	175	144	142
	<u>1,911</u>	<u>1,599</u>	<u>2,452</u>	<u>2,320</u>

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

12. Creditors: amounts falling due within one year	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Trade creditors	341	319	367	348
Other taxes and social security	270	232	313	279
Accruals	473	403	258	220
Other creditors	71	64	147	135
Deferred income (see below)	817	499	1,595	1,256
	<u>2,016</u>	<u>1,517</u>	<u>2,680</u>	<u>2,238</u>

13. Deferred income within one year	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
At 31 March 2016	1,595	1,256	2,043	1,362
Released to incoming resources	(1,595)	(1,256)	(2,043)	(1,362)
Income deferred to a future year	817	499	1,595	1,256
	<u>817</u>	<u>499</u>	<u>1,595</u>	<u>1,256</u>
At 31 March 2017	<u>817</u>	<u>499</u>	<u>1,595</u>	<u>1,256</u>

Deferred Income are funds received for charitable activities in future years.

14. FINANCIAL INSTRUMENTS (GROUP)		2017 £'000	2016 £'000
Cash		3,444	3,159
Financial assets that are debt instruments measured at amortised cost			
- Trade debtors		1,716	2,278
- Other debtors		14	30
		<u>1,730</u>	<u>2,308</u>
Financial liabilities measured at amortised cost			
- Trade creditors		341	367
- Other creditors		71	147
		<u>412</u>	<u>514</u>

15. Statement of funds Group	Brought forward £'000	Income £'000	Expenditure £'000	Transfers/ Gains/losses £'000	Carried forward £'000
Designated funds:					
Redundancy and Pension fund	350	-	-	-	350
Works – The Bridges	30	-	-	(6)	24
Works – Head Office	-	-	-	19	19
Blue Sky -Employment/Training	-	40	-	-	40
	<u>380</u>	<u>40</u>	<u>-</u>	<u>13</u>	<u>433</u>
General funds	<u>2,389</u>	<u>16,885</u>	<u>(16,639)</u>	<u>50</u>	<u>2,685</u>
Total Unrestricted funds	<u>2,769</u>	<u>16,925</u>	<u>(16,639)</u>	<u>63</u>	<u>3,118</u>

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

The Designated Fund represents funds set aside to cover the potential redundancy and pension liabilities towards its staff, refurbishment costs of the Bridges Project in Hull, Head Office in London and funding earmarked for Blue Sky employment/training work.

Group	Brought forward £'000	Income £'000	Expenditure £'000	Carried forward £'000
Restricted funds:				
S Shepherd & S Dickson	-	5	(5)	-
Joseph and Annie Cattle Trust	-	10	(10)	-
Goldsmith's Company	-	5	(5)	-
Liz & Terry Bramall Foundation	-	20	(20)	-
The Eva Rausing Memorial Trust	165	-	(122)	43
Hans & Julia Rausing	-	708	(535)	173
The John Murray Charitable Trust	-	9	(9)	-
City Bridge	-	20	(20)	-
Lotus Foundation	-	20	(20)	-
Charlie Forbes-Adams	-	5	(5)	-
P Marsden	-	5	(5)	-
The Martann Trust	4	-	-	4
Other restricted funding	6	147	(147)	6
Blue Sky	-	376	(376)	-
	<u>175</u>	<u>1,330</u>	<u>(1,280)</u>	<u>226</u>

The purpose of restricted funds are as below:

S Shepherd & S Dickson – funding towards the core costs of the Bridges residential unit.

Joseph and Annie Cattle Trust – funding towards the core costs of the Bridges residential unit.

Goldsmith Company Charity – funding towards the core costs of the Bridges residential unit.

Liz & Terry Bramall Foundation – funding towards the core costs of the Bridges residential unit.

Hans and Julia Rausing – funding towards the core costs of Recovery Support Services and the Apprenticeship Scheme.

The John Murray Charitable Trust – funding towards the core costs of Recovery Support Services.

City Bridge – funding towards the core costs of Recovery Support Services.

The Lotus Foundation – funding towards the cost of a family worker.

Eva Rausing Memorial Trust – funding towards the apprenticeship scheme and social enterprise.

Charlie Forbes-Adams – funding towards the core costs of the Bridges residential unit.

P Marsden – funding towards the core costs of Recovery Support Services.

The Martann Trust – funding towards the loan scheme for graduates.

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

16. Summary of funds	Brought forward	Income	Expenditure	Transfers/ Gains/losses	Carried Forward
Group	£'000	£'000	£'000	£'000	£'000
Designated funds	380	40	-	13	433
General funds	2,389	16,685	(16,639)	50	2,685
Restricted funds	175	1,330	(903)	-	226
	<u>2,944</u>	<u>18,255</u>	<u>(17,918)</u>	<u>63</u>	<u>3,344</u>

Summary of funds	Brought forward	Income	Expenditure	Transfers/ Gains/losses	Carried Forward
Charity	£'000	£'000	£'000	£'000	£'000
Designated funds	380	-	-	13	393
General funds	1,963	15,351	(15,180)	50	2,184
Restricted funds	175	954	(903)	-	226
	<u>2,518</u>	<u>16,305</u>	<u>(16,083)</u>	<u>63</u>	<u>2,803</u>

17. Analysis of net assets between funds	Restricted funds	Unrestricted funds	Total Funds
	£'000	£'000	£'000
Group			
Fixed assets	-	5	5
Current assets	226	5,129	5,611
Current liabilities	-	(2,016)	(2,016)
	<u>226</u>	<u>3,118</u>	<u>3,344</u>
Charity			
Fixed assets	-	4	4
Current assets	226	4,090	4,316
Current liabilities	-	(1,517)	(1,517)
	<u>226</u>	<u>2,577</u>	<u>2,803</u>

18. Operating Lease Commitments

At 31 March 2017, the charitable company and the Group future minimum operating lease payments are as follows:

BUILDINGS

	2017	2016
Group	£'000	£'000
Leases that expire:		
Within one year	331	324
Two to five years	1,270	1,121
Over five years	778	971
	<u>2,379</u>	<u>2,416</u>

During the year's rental costs in respect of assets under operating leases of £381k (2016: £465k).

Parent charity

Leases that expire:

Within one year	308	301
Two to five years	1,224	1,110
Over five years	778	971
	<u>2,310</u>	<u>2,382</u>

During the year's rental costs in respect of assets under operating leases of £291k (2016: £397k).

19. Related Party Transactions

There were no related party transactions in the year.

Donations from Trustees in aggregate were £2.7k/(2016: £4.5k).

20. Pensions

The group contributes to both defined contributions and defined benefit schemes for its employees. All defined benefit schemes are closed to new entrants and the numbers of active members can only grow as a result of the transfer of staff from other organisations ("TUPed").

The Charity operates a number of defined contribution schemes. Prudential Platinum Pension Scheme which is managed by Xafinity Limited, Group Personal Pension Plan is managed by Aviva, NHS Pension Scheme managed by NHS Pensions, Shropshire County Pension fund managed by Shropshire Council and Civil Service Pension managed by The Cabinet Office.

The NHS Pension Fund is a closed defined benefit scheme specific to employees TUPed who were members of a NHS Pension Scheme at the time of transfer. Shropshire County Pension is a closed defined benefit scheme applicable to employees TUPed who were members of Shropshire Pension Scheme at the time of transfer. Civil Service Pension Scheme is a closed defined benefit scheme applicable to employees who were members of the Civil Service Pension Scheme at the time of transfer.

The Prudential Platinum Scheme is a defined statutory scheme which is contracted out of State Second Pension. This scheme was set up to ensure that we provide a comparable scheme for staff who are TUPed with final salary pension rights.

The assets of any pension scheme are held separately from those of the Group.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the group for the year together with any material provision to record the Group's liability in relation to a defined benefit pension scheme, where this can be identified, in accordance with the accounting standard incorporated in FRS102.

The latest formal valuation of Sub-Scheme of the Prudential Platinum Pension - The Forward Trust ('the Scheme') for the purposes of the UK pensions accounting standard FRS 102 for the year ending 31 March 2017 ('the Measurement Date'). This information was provided to the Directors of The Forward Trust solely for the purposes of the FRS 102 disclosures and should not be relied upon for any other purpose.

The numbers in this report relate only to the Scheme. The costs and balance sheet items in respect of any other pension arrangement the Company may operate, or promises the Company may have made, will also need to be included in the Company's disclosures.

The total contributions made by the Charity were £470,533 (2016: £593,786). No further liability arose other than these payments. £63,808 (2016: £70,620) of contributions were outstanding at the year-end in creditors. The total Group contributions were £534,763 (2016: £644,341).

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

The Prudential Platinum Pension scheme is set up on a tax relieved basis as a separate trust independent of the Company and supervised by an independent trustee. The relevant trustee is responsible for ensuring that the correct benefits are paid, that the Scheme is appropriately funded and that Scheme assets are appropriately invested. This scheme provides pensions and lump sums to members on retirement and to their dependants on death. Members who leave service before retirement are entitled to a deferred pension.

Active members of the Scheme pay contributions at a rate based on their pensionable pay and the Company pays the balance of the cost as determined by regular actuarial valuations. The independent trustee is required to use prudent assumptions to value the liabilities and costs of the scheme whereas the accounting assumptions must be best estimates.

The liabilities for this year's accounting disclosures have been calculated by rolling forward the 31 December 2015 FRS 17 liabilities from that valuation date to 31 March 2017 allowing for member movements and cashflows and using the assumptions set out below. The figures in the following disclosure were measured using the Projected Unit Method.

The amounts recognised in the statement of financial position are as follows:

	2017 £000s	2016 £000s
Defined benefit obligation	(404)	(406)
Fair value of plan assets	552	434
Net defined benefit asset	148	28
Net amount recognised year end (before any adjustment for deferred tax)	148	28
Adjustment for non-recognition of surplus	(148)	28
	-	-

The amounts recognised as comprehensive income are:

The current and past service costs, settlements and curtailments together with the net interest for the year are included in profit or loss. Remeasurements of the net deferred benefit liability are included in actuarial gains/losses.

	2017 £000s	2016 £000s
Service cost		
Current service cost (net of employees contributions)	23	76
Administration expenses	41	41
Net interest expense (credit)	(1)	(1)
Charge/(credit) recognised in profit or loss	63	116

	2017 £000s	2016 £000s
Remeasurements of the net liability		
Return on scheme assets (excluding amounts included in net interest expense)	(76)	14
Actuarial (gains)/losses	(35)	(25)
Adjustments for non-recognition of pension asset	48	-
Charge/(credit) recorded on other comprehensive income (Actuarial gains and losses on the Statement of Financial Activities.)	(63)	(11)
Total defined benefit cost	-	105

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

As at the 31 March 2017 and 31 March 2016, the pension net asset was not recognised on the Charity's and Group's Balance Sheet.

The principal actuarial assumptions used were:

	%	%
Liability discount rate	2.50%	3.20%
Inflation assumption – RPI	3.20%	3.00%
Inflation assumption – CPI	2.50%	2.30%
Rate of increase in salaries	2.00%	3.50%
Revaluation of deferred pensions - CPI	2.50%	2.30%
Increases for pensions payment – CPI	2.50%	2.30%
Expected age at death of current pensioner at age 65:		
Male aged 65 at year end	87.5%	87.3%
Female aged 65 at year end	89.6%	89.4%

Expected age at death of future pensioner at age 65:

Males aged 45 at year end	89.7%	88.7%
Female aged 45 at year end	91.9%	90.9%

Reconciliation of scheme assets and liabilities

	Assets £'000	Liabilities £'000	Total £'000
At start of period	434	(406)	28
Benefits paid	(8)	8	-
Administration expenses	(41)	-	(41)
Current service cost	-	-	-
Contributions from the employer	-	(23)	(23)
Contributions from the employees	72	-	72
Interest income/(expenses)	4	(4)	-
Return on assets (excluding amount included net interest expense)	15	(15)	1
Actuarial gains/(losses)	76	-	76
Gain/(loss) on planning deductions and Changes	-	35	35
At end of period	552	(404)	148

2017
£000s

2016
£000s

The return on plan assets was:

Interest income	15	13
Return on plan assets (excluding amounts included in net interest expense)	76	(14)
Total return on plan assets	91	(1)

The Scheme has no investments in the Company on property occupied by the Company.

The project profit and loss costs for the year ended 31 March 2018 is £67k

FINANCIAL ASSUMPTIONS

This note sets out the long-term actuarial assumptions used to value the liabilities as at 31 March 2016. The corresponding assumptions used for the 31 March 2015 disclosure is shown for comparison. A summary of the financial assumptions used is as follows:

	Assumption as at 31 March 2017	31 March 2016
Discount rate	2.50%	3.40%
Retail price inflation	3.20%	2.90%
Consumer price inflation	2.50%	2.40%
Pensionable salary increases	2.00%	3.40%
Revaluation of deferred benefits	2.50%	2.40%
Pension increases	2.50%	2.40%

Demographic assumptions

Mortality

The mortality assumptions used are the SAPS S2PxA tables. Improvements are assumed to be in line with the CMI_2015 projections, with minimum improvements of 1.5 per cent per annum long term trend. These tables reflect the current best estimates but without incorporating margins for prudence.

The mortality assumptions used in last year's disclosure are the SAPS S2PxA tables. Improvements are assumed to be in line with the CMI_2013 projections, with minimum improvements of 1 per cent per annum.

Commutation

It has been assumed that no members will commute their pensions for a cash sum.

Other demographic assumptions

It is assumed that 90 per cent of members are married and that a husband is 3 years older than his wife.

22. Capital Commitments

There are no known capital commitments at the year end.

23. Contingent Liabilities

There are no known contingent liabilities at the year end.

24. Post Balance Sheet Events

The Forward Trust is the new name for The Rehabilitation for Addicted Prisoners Trust (RAPt). The legal registration details have not changed and neither were the delivery of services affected.

On the 31 October 2017, The Forward Trust acquired Vision Housing Consultancy Services Limited, a charitable company. From 31 October 2017, Vision Housing Consultancy Limited became a wholly owned subsidiary of The Forward Trust.

As part of the restructure, Blue Sky Development & Regeneration which was a wholly owned subsidiary of The Forward Trust was fully integrated with The Forward Trust with effective date of 1 December 2017. The transfer agreement was signed on 6 November 2017.

The Forward Trust
Notes to the Consolidated Financial Statements
For the year ended 31 March 2017

**25. Consolidated Comparative
Statement of Financial Activities**

	Restricted Funds £'000	Unrestricted Funds £'000	2016 Total Funds £'000	2015 Total Funds £'000
INCOME:				
Donations, events and legacies	700	109	809	1,126
Charitable activities				
Substance Misuse	-	15,660	15,660	15,226
Family Service	-	276	276	262
Young People Services	-	167	167	166
Recovery Support Services	-	402	402	164
Residential Rehabilitation Services	-	275	275	381
Clinical Services	-	1,382	1,382	2,453
Blue Sky Development & Regeneration Services	530	1,480	2,010	1,036
Investment Income	-	6	6	9
Total income	1,230	19,757	20,987	20,823
EXPENDITURE:				
Costs of raising funds				
Raising funds		243	243	184
Expenditure on charitable activities				
Substance Misuse				
Being Services	592	15,024	15,616	16,239
Family Service	5	273	278	287
Young People Services	-	168	168	174
Recovery Support Services	69	336	405	383
Residential Rehabilitation Services	74	352	426	600
Clinical Services	-	1,391	1,391	2,725
Blue Sky Development & Regeneration Services	530	1,375	1,905	982
Total expenditure	1,270	19,162	20,432	21,574
Net income/(expenditure)	(40)	595	555	(751)
Transfers between funds				
Other recognised gains and losses:				
Actuarial gains/(losses) on defined benefit pension scheme	-	(11)	(11)	(40)
Net assets from Blue Sky Development & Regeneration				275
Net movement in funds	(40)	584	544	(791)
Reconciliation of funds				
Total funds brought forward	215	2,185	2,400	2,916
Total funds carried forward	175	2,769	2,944	2,400

The Comparative Statement of Funds and net asset note for the Group & Charity can be obtained from the audited accounts published on the Charity Commission's website.

Reference and Administrative Details

The Forward Trust is a charitable company limited by guarantee.

Charity Number: 1001701

Company Number: 02560474

TRUSTEES/DIRECTORS

Hon David Bernstein
Lady Gibbings
Ben Houghton
Hon Isabelle Laurent
John Mason
Dame Benita Refson DBE
Ronald Sheldon
Marsha Taylor
Rev John Wates JP OBE
Andrew Wylie

COMPANY SECRETARY

Merlin Gaston

PATRONS

Dame Judi Dench
Roger Graef OBE
The Rt Hon The Lord Woolf of Barnes
Lady Puttnam
The Hon Emma Soames
Sir Anthony Hopkins CBE
Tony Adams MBE
Russell Brand

FOUNDERS

Jonathan Wallace
Peter Bond
Michael Meakin

BANKERS

HSBC
The Peak
333 Vauxhall Bridge
Victoria
London SW1V 1EJ

BUSINESS ADDRESS/REGISTERED OFFICE

The Foundry
17 Oval Way
London SE11 5RR

AUDITOR

haysmacintyre
Chartered Accountants & Registered Auditors
26 Red Lion Square
London WC1R 4AG

SOLICITORS

Bates Wells & Braithwaite
10 Queen Street
London EC4R 1BE

KEY MANAGEMENT PERSONNEL (AT 31st MARCH 2017)

Sean Cox – Director of Services
Hannah Fox – Director of External Affairs
Merlin Gaston – Director of Finance & Operations
Caroline Gilmartin – Director of Human Resources
Gail Jones – Deputy Chief Executive Officer
Kate Markey – Director of Employability
Michael Trace – Chief Executive Officer
Andrew Wylie

