

Charity Registration No. 1012053

Company Registration No. 02200394 (England and Wales)

**TOUCHSTONE - LEEDS**

**FINANCIAL STATEMENT  
FOR THE YEAR ENDED  
31 MARCH 2024**

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TOUCHSTONE – LEEDS

LEGAL AND ADMINISTRATIVE INFORMATION

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Touchstone - Leeds constitutes a Registered Company Limited by Guarantee and is registered as a Charity.

Full Name: Touchstone - Leeds  
Charity Registration Number: 1012053  
Company Registration Number: 02200394

Registered Office: Touchstone House  
2-4 Middleton Crescent  
Leeds  
LS11 6JU

<b>Trustee</b>	<b>Appointed</b>	<b>Resigned</b>
Sam Cheverton (Chair from 10/06/2024)		
Janet Reynolds		
Philip Gleeson		
Sue Timothy		
Stephen Bailey		
Sally Anderson		
Richard Aimufua	11/03/2024	
Shahab Adris	11/03/2024	
Prof Edgar Meyer		01/10/2023
Dr Iwi Ugiabe-Green		01/10/2023
Tom Stanley		31/01/2024
Jeremy Horsell (Chair until 10/06/2024)		10/06/2024
Andrea Beaver		06/09/2024

**Key Management Personnel:**

Arfan Hanif	Chief Executive
Kathryn Hart	Deputy Chief Executive and People & Culture Director
Sharon Brown	Business Development Director
Sophie Hailwood	Operations Director
Dave Pickard	Operations Director
Zoe Bridge	Finance Director resigned 31/05/2023
Khalil Rehman	Interim Finance Director from 01/06/23 to 24/06/24
Jim Hoole	Director of Finance & Resources from 24/06/24

Company Secretary: Khalil Rehman: from 01/12/2023 to 24/06/2024  
Jim Hoole: from 24/06/2024.

TOUCHSTONE – LEEDS

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

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Auditor: Sagars Accountants Ltd  
Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG

Bankers: The Co-operative Bank  
19-20 Commercial Street  
Leeds  
LS1 6AL

Virgin Bank  
The Penny Hill Centre  
1 Church St  
Hunslet  
Leeds  
LS10 2AP

The trustees present their report and financial statements for the year ended 31 March 2024 for Touchstone - Leeds, also known as Touchstone.

## OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

### Objectives and Activities

The charitable objects (purpose) defined in the Memorandum are "to relieve sickness and promote the fostering of positive physical and mental health and the prevention of breakdown among members of the community by establishing guiding and supporting, the promotion of self-help groups, and provision of personal counselling, housing and other practical facilities and by the advancement of education for the public benefit of lay and professional health care workers".

More particularly, Touchstone's vision statement is "Inspiring communities, transforming lives" and this is underpinned by seven values:

- Leadership and Learning
- Inclusion and Diversity
- Value for Money
- Quality and Continuous Improvement
- Integrity and Respect
- Recovery
- Co-Production

Touchstone's Strategic Business Plan has the following five strategic goals:

- Sustain and grow high quality support services for those most vulnerable to mental health issues across Yorkshire.
- Become a partner of choice and develop sustainable relationships with the statutory, public, private, and voluntary sectors.
- To maintain a just, safe, and reflective culture to continuously improve our stakeholder experience.
- To be an employer of choice; recognising and continuously developing our people as valued and essential leaders in the delivery of quality services.
- Embed co-production to involve service users and carers in all aspects of service delivery and design.

Key services Touchstone provided in the year are:

**Mental Health Community Development, Preventative and Peer Led Services** designed to keep people well in the community and promote preventative measures to support good mental health and wellbeing in communities. Services that come under this umbrella include:

- Being You Leeds [BYL] provides community wellbeing activities, training, mental awareness sessions, and leads on anti-stigma campaigns.
- East Leeds Health 4 All [ELHFA] is part of the Leeds Better Together service, promoting good health and wellbeing in east and north-east Leeds.
- Asset Based Community Development [ABCD] Project is a city-wide Leeds service which builds the assets of local communities to better influence and take the lead in deciding how services are delivered to them.
- Volunteers Service, which is Investors In Volunteers [IIV] accredited, specialises in recruiting, training, and supporting volunteers with lived experience into placements at Touchstone or one of its partners.
- Touchstone Outreach and Prevention Service [TOPS] supports local 'street drinkers' around alcohol dependency, mental health support, and signposting to support services.
- West Yorkshire Autism and ADHD [Attention Deficit Hyperactivity Disorder] Co-production project is an all-age neurodiversity (Autism and ADHD) 'deep dive' project across West Yorkshire.

**Mental Health Mild-to-Moderate Needs (Community) Services** support service users with assessed mild-to-moderate care, health, and mental health needs, focusing on an asset-based approach to service delivery promoting independence and recovery in the community:

- Live Well Leeds [LWL] is a city-wide initiative providing community-based support to people with mild-to-moderate mental health support needs.
- Sikh Elders Service provides culturally adapted support to Sikh Elders and their carers.
- Black and Minority Ethnic [BME] Dementia Service provides specialist support to people living with memory problems or a diagnosis of dementia, and their carers, from ethnic minorities.
- 'WorkPlace' Leeds, led by Leeds Mind, provides employment support to individuals referred by Community Mental Health.

**Mental Health Mild-to-Moderate Needs (Clinical) Services** support service users / patients with clinical mild-to-moderate common mental health disorders. These services are delivered in accordance with NHS Commissioner and England Clinical guidance:

- Leeds Mental Wellbeing Service [LMWS] brings together Primary Care Mental Health [PCMH] services and Talking Therapies under a single service for people with mild / moderate and complex Common Mental Health Disorders [CMHD]. Touchstone staff are employed to provide wellbeing and therapy support.
- LMWS Inclusion Team, led by Touchstone, provides advice on inclusion, addressing health inequalities including peer support, and co-production services to patients / service users.
- Employment Advisory Service is for service users with clinically defined mild-to-moderate mental health needs and offers support in terms of retaining or finding work.
- Blossom is a project that delivers clinical support to victims of Female Genital Mutilation [FGM], a partnership with NHS nurses across Leeds and Bradford.

**Intensive Support Needs (Community) Services** support service users with complex social and health needs including those in crisis - intensive, tailor-made, co-produced, and trauma-informed support to sustain wellbeing and promote recovery in the community including:

- Beacon Housing - accommodation and support to enable people to stay well in tenancies.
- Community Support Team [CST] - an assertive outreach service that delivers support to people with complex mental health conditions in the community.
- Rehabilitation and Recovery Centre, which supports service users with long term mental health needs from ward-based rehabilitation on site to supported recovery in the community.
- Leeds Community Connectors, which support people with ongoing complex mental health needs to achieve better mental health and wellbeing, increasing independence, and supporting recovery in the community.
- Wakefield Self-Directed Support [SDS] - aimed at people with personal budgets, opting for Touchstone to assist them securing their care and wellbeing goals.
- Wakefield Community Enablement Team [CET] - delivers 121 intensive floating support that promotes a person-centred recovery focus aligned to individual need.
- 'Here for You' crisis services across Leeds, Kirklees and Wakefield aimed at reducing factors associated with the inappropriate use of statutory services and hospital admissions, and providing a safe alternative to NHS mental health support.
- Crisis Resolution & Intensive Support Service [CRISS] - a peer support-based service with staff providing intensive support at home for a period of up to 24-hours for people experiencing a mental health crisis.
- Community Rehabilitation Enhanced Support Team [CREST] - a community mental health service aimed at helping people move from inpatient settings and developing new lives closer to home.
- Complex Psychosis Practitioners - a clinical service operating within Leeds Community Mental Health Teams and Primary Care Networks that provides rehabilitation interventions aimed at preventing loss of skills and early-help rehabilitation for people with high-intensity mental health needs.

**Intensive Support Needs (Criminal Justice) Services** support service users with a criminal justice pathway history to access appropriate support and wellbeing services. Touchstone works closely with criminal justice agencies to divert service users from criminal justice pathways into supportive health and social pathways:

- Liaison and Diversion West Yorkshire [L&D WY] service - aimed at reducing reoffending by diverting people with complex mental health needs away from the Criminal Justice System.
- Liaison and Diversion South Yorkshire [L&D SY] - Touchstone delivers peer volunteering support across South Yorkshire with staff operating in Sheffield, Barnsley, and Doncaster.

### Activities

Primarily, Touchstone provides services for people with mental health difficulties, those susceptible to such challenges, and their carers. Through this work, and seeking to ensure services are available to the whole community, Touchstone has developed a particular strength working with diverse communities including BME and LGBTQ+ groups.

Key Performance Indicators are designed around the Critical Success Factors identified for each individual service, usually in consultation with the commissioners of the service, and used to assess ongoing service performance by staff, management, trustees and relevant external stakeholders, as appropriate.

### Public Benefit

The trustees recognise their duties under the Charities Act 2011 and have referred to the Charity Commission's guidance on public benefit when reviewing Touchstone's activities and compiling this report.

The activities described above, and explained in detail later, are consistent with Touchstone's values and aims, and derived from its charitable objectives, which seek to deliver public benefit by improving the physical and, especially, mental health of the communities either directly or through improving people's experience of other services and their acceptance within the community. All new and potential developments are assessed for consistency with the strategic plan and contribution to the public benefit.

Access to Touchstone services is usually through referral processes determined by objective criteria based on need and, to the extent that most services are funded by statutory bodies, residence within a geographic boundary.

### Volunteers

Volunteers support individual service users in reducing isolation / loneliness, developing confidence and self-esteem, offering a listening ear, enabling them to make friends, supporting them with budgeting, attending social activities, going shopping, walking and reducing anxiety when going out. They also support service users to complete benefit forms and attend assessments and appeal hearings. During 2023/4, Touchstone utilised more than 150 volunteers - the majority from BME backgrounds.

Beneficiaries of volunteer support sometimes take on the role themselves. Service users often express the view they would not have been able to cope without the help of a volunteer / befriender. Volunteer support helps with managing mental health and preventing deteriorations and setbacks.

The contribution of volunteers is not included in the statement of financial activities due to the valuation process being difficult and subjective.

## STRATEGIC REPORT

### ACHIEVEMENTS AND PERFORMANCE

#### **Mental Health Community Development, Preventative and Peer Led Services**

- From service commencement in Jul 23 to 31 Mar 24, BYL: supported 253 service users (receiving over 100 recorded compliments in respect of service delivery); facilitated 445 groups; and, funded 12 projects.
- ELHFA supported 334 clients - 68% of whom were non-white in ethnicity.
- Men In Health facilitated the signposting of 31 men working within NHS healthcare.
- TOPS supported 248 attendees across 22 unique sessions.
- West Yorkshire Autism and ADHD Co-production project engaged with: 500 people at the Autisticon event in Leeds; 400 people at a World Autism event held in Bradford; and 300 people over two Neurodiversity summits in West Yorkshire. In addition, the following events were held: 12 lived experience online co-production meetings (averaging 16 people per session); 12 combined professional and lived experience steering group meetings and 7 working group sessions; 10 community practice and public NED [Neurodiverse Experiences Discussed] Talks; 6 creative workshops; and, 5 focus groups. 10 community projects were visited.

#### **Mental Health Mild-to-Moderate Needs (Community) Services**

- Live Well Leeds: supported over 1500 people across Leeds – 90% achieving positive outcomes as a result; utilised 150 volunteers; and, awarded over £30k in Live Well grants.
- Sikh Elders Service: supported 74 service users; utilising 34 service users, delivered its first play, performed at Leeds Civic Hall to an audience of 180 people, for South Asian Heritage Month; facilitated 30 service users experience public transport for the first time to explore surrounding towns and cities.
- BME Dementia Service: supported 39 service users; hosted 45 cafés; and, facilitated 41 walking groups. In Oct 23, the service received the Alzheimer Europe's Anti-Stigma Award in Helsinki. The forum event held on 31 Oct 23 attracted 110 attendees.
- 'Workplace' Leeds supported 817 users. Of the 36 allocated to Touchstone, 7 individuals successfully gained new employment.

#### **Mental Health Mild-to-Moderate Needs (Clinical) Services**

- At LMWS, Primary Care Mental Health completed the first wave of Community Mental Health Transformation, implementing new ways of working and improving the patient journey whilst maintaining 'business as usual.' Supporting 2,803 clients, Talking Therapies: ran 'Behavioural Activation for Muslims' training; set up 'Improving Low Mood using Islam' therapy group; assisted the reduction of the Cognitive Behaviour Therapy waiting time from 18 months to 3-4 months; and, improved the service recovery rate from 40% to just under 50%. The Inclusion Team: co-produced and implemented a Health Equity Plan; assisted 37 clients through peer support; and, facilitated a Co-production Network, comprising 56 active members, supporting co-design and delivery.
- Blossom supported 40 clients.

#### **Intensive Support Needs (Community) Services**

- Beacon Housing: assisted 35 clients secure their own independent accommodation; supported 31 clients with domestic violence needs. With 92% of clients having planned moves on, the service significantly outperformed its target of 70%.
- During its first year of service, Wakefield CET conducted 2,400 face-to-face support visits across Wakefield, Pontefract, Castleford, Knottingley, and Normanton. 100% of users 'highly valued' the service provided and expressed mental health improvements upon completion of the support.
- 'Here for You' crisis services supported individuals as follows: 245 Leeds; 223 Wakefield; 152 Kirklees.
- The Community Support Team made such a positive impact that members of the public fundraised for it on 3 separations occasions: fire walk; school bake; and, a celebration event for a former service user.
- EMERGE: Vibe Tribe weekly social group – 221 attendees; Journey Group (a 26-week programme led by peer support workers) – 140+ attendees.
- CRISS facilitated a weekly Art Group, attracting 133 attendances.

### **Intensive Support Needs (Criminal Justice) Services**

- 3,350 services users were supported by West Yorkshire L&D (approximately 35% directly by Touchstone).
- Of the 75 service users supported by South Yorkshire L&D, 74 did not subsequently reoffend, and the service attained silver award for the lived experience charter.

### **Organisation-wide performance and achievements**

The trustees are pleased to note the following achievements during 2023/4:

- Better integration of services supporting efficient service delivery tailored to the needs of service users including the development of a more holistic Complex and Crisis service offer.
- Investors in People (IIP) Platinum accreditation 2024 - ranked a Top 20 employer for the third year running.
- Ranked 4<sup>th</sup> on Stonewall's Top 100 Employers List 2024 (no1 Charity and Health & Social Care Employer, achieving a Gold Award for being an LGBTQ+ inclusive employer).
- Best Companies to Work For 2023: 2\* accreditation for 'Outstanding Staff Engagement'; 5<sup>th</sup> Best Charity and 58<sup>th</sup> Best Large Company to work for; 22<sup>nd</sup> Best Company to work for in Yorkshire and Humberside.
- Touchstone's BME Dementia Service won the overall 'Alzheimer Europe Anti-Stigma Award' 2023 for its innovative service model in respect of working with diverse communities.
- 3<sup>rd</sup>, for the second year running) in the UK's Top 50 Most Inclusive Employers List.
- Winner of 2024 National Positive Practice in Mental Health Award in respect of CREST's best practice embedding co-production in a clinical setting and working collaboratively with the NHS.
- Winner of 2024 National Faculty of Public Health's Sarah Stewart Brown Award for Public Mental Health in respect of BYL, considered an excellent example of a co-produced, community-based approach of public mental health in action.
- Touchstone's collaborative Recruitment & Inclusion project supporting NHS employers attract and retain a diverse workforce won the NHS Fairer Award for Diversity and Inclusion Award.

### **Financial Review**

#### Performance

Total income for the year was £9,882,963 [2023: £9,778,026]. Touchstone achieved a year-on-year increase of £104,937 (1.07%) in spite of the economic challenges faced by its principal clients (local authorities and the NHS) and the charity sector by securing contract extensions and winning new business.

Expenditure in the year was £10,210,817 [2023: £9,295,751], giving rise to a deficit of £(289,436) [2023: surplus of £479,078]. As a significant proportion of Touchstone's cost base comprises staff and staff-related costs, the modest year-on-year increase in income was unable to offset expenditure associated with the annual pay award and cost-of-living payments made to help employees counter the economic challenge posed by inflationary pressures.

At the year-end, Touchstone had Net Assets of £2,070,530 [2023: £2,359,966] including restricted funds of £196,541.

### Current Asset Investments

There was a gain on investments of £38,418 [2023: loss of £(3,197)].

Touchstone intends its investment decisions to achieve the best financial return available consistent with the ethical principles reflecting the charity's aims.

Touchstone recognises that all financial investments carry a level of risk and that the likely rewards of each investment rise in relation to the perceived level of risk.

Touchstone intends to take a prudent approach, mitigating the specific risks of individual investments by ensuring diversification of investments, between classes of investment and individual investments, and by avoiding high risk investments entirely.

The charity continues to invest with COIF Charities Investment Fund, the fund has limited ethical exclusions and has therefore, been determined as and promoted as a responsible fund.

### **Future Plans 2024/5**

Post COVID-19 global pandemic, with the U K economy struggling saddled with unprecedented debt, trustees recognise the sector landscape in which Touchstone operates is increasingly difficult to navigate. The organisation's traditional primary funders – local authorities and the NHS – face serious financial challenges, which manifest themselves in less new contracts being let, increased financial scrutiny of existing ones, and renewals and extensions subject to budgetary pressures. While Touchstone continues to seek new profitable service opportunities that meets its strategic objectives and embed new and recent successful contract tenders such as Urgent Care Youth Workers, some contracts have ended including Ask 4 Advocacy & Self Directed Support, and others are at standstill – for example, L&D, WY & SY.

While monitoring the climate change and shifting sands that characterises the third sector environment, currently, trustees remain firmly committed to Touchstone's service users, service user consultants, volunteers, and employees. To meet the challenge head-on, the organisation is undertaking a strategic review, a comprehensive one that will encompass its income portfolio and cost base - the outcome of which will form a new business plan for 2025/6 onwards.

Operationally, Touchstone continues with its plans to strengthen the organisation's infrastructure, rolling out the digital transformation programme, supported by 'agile' working practices, which will improve the delivery of frontline services. This encompasses increasing the capacity of Touchstone's IT helpdesk functionality, bolstering existing cyber security, significantly improving network performance, and progressing Cyber Essentials market accreditation to facilitate contract bidding.

The organisation is actively involved in strategic health partnerships arising out of the Health and Social Care Act 2022. Specific direction is set out in Touchstone's Strategic Business Plan 2021-6, currently under review. The Plan sets out five strategic objectives to sustain and grow high quality support services for those most vulnerable to mental health issues across Yorkshire, which the organisation remains committed to:

- identify need amongst the most vulnerable local groups and communities and develop high quality bids to deliver services to meet the need.
- influence and develop systems-level collaborative relationships with commissioners and decision-makers to invest in such groups / communities using case studies, data, and insight reporting.
- deliver growth through a business development strategy, ensure the necessary infrastructure is in place, and that reserves are grown in accordance with the reserves policy and are sustainable.
- invest in support services infrastructure to ensure adequate capacity for the provision of sustainable quality service delivery.
- having a sustainable reserves strategy consistent with the organisation's strategic business plan priorities.

Touchstone aspires to be the partner of choice, developing sustainable relationships with the statutory, public, private, and voluntary sectors by:

- continuing to highlight the contribution made to the elimination of health inequalities via delivery of the annual Communications Strategy and plan.
- developing 10 new local and strategic partnerships throughout the year.
- participating in emerging systems-level 'Collaboratives', and seeking to exploit potential benefits.
- investing in existing partnerships through positive contractual relations, skill-sharing, and engaging in leadership initiatives.
- showcasing Touchstone's expertise in co-production and sharing it with partner organisations.

The organisation aims to maintain a just, safe and reflective culture and to, continuously, improve the stakeholder experience by:

- providing high quality and respectful services measured by achieving the target of a 95% satisfaction rate in the annual service user survey.
- reporting and reviewing 100% of the complaints received throughout the year in conjunction with a service user audit panel, undertaking reviews of lessons learned where required.
- completing 100% of safeguarding self-audits, and actioning all recommendations on a timely basis.
- developing and implementing a robust Information Governance / Security Strategy.

Touchstone aspires to embed co-production, involving service users and carers in all aspects of service delivery and design by:

- providing high quality and respectful services measured by achieving the target of a 95% satisfaction rate in the annual service user survey.
- embedding the role of Co-Production and Service Users Involvement Coordinator.
- developing a Service User Leadership Academy to provide for the inclusion of service users in decision making.
- increasing the capacity and number of service user consultants.

### **Engagement with Employees (including disabled persons)**

Touchstone aims to be an employer of choice, recognising and continuously developing its people as valued and essential leaders in the delivery of quality services by:

- applying the best leadership and people management practices.
- achieving high scores in Inclusive Companies and Stonewall accreditations.
- being recognised, nationally, as a leading Investor in People Platinum Employer.
- nurturing a happy and healthy workforce evidenced by sickness absenteeism < 4% and achieving high wellbeing scores in the annual Best Company staff survey.
- developing and implementing an organisation-wide volunteering strategy to enable people to acquire the skills / experience necessary to conduct roles competently.
- celebrating diversity through ongoing engagement, improved representation, investment in development opportunities and benchmarking against national best practice standards.
- continuing to invest in the organisation's Green programme and Climate Emergency Policy.

The organisation regularly reviews its recruitment and Access to Work policies to ensure they provide for applications from persons with disabilities.

### **Principal Funding Sources**

The accommodation services are funded through rent charges to individual tenants, the majority of which, in practice, are received as directly paid Housing Benefit, and through support funding paid under a contract with Leeds City Council as part of a consortium with Turning Lives Around and Foundation. Touchstone also provides volunteer elements of the contract on behalf of other consortium partners.

Other services are mainly funded through statutory sources. Leeds City Council (Adult Social Care) provide block contract funding for Live Well Leeds, Sikh Elders Service, Better Together, and part of the income for the Community Support Team (CST).

NHS Leeds Clinical Commissioning Group [CCG] funds Leeds Mental Wellbeing Service and makes significant contributions to the Community Support Team [CST] and Here For You local service.

NHS Kirklees CCG funds the local Here For You service.

Leeds Yorkshire Partnership NHS Foundation Trust continue to fund elements of the wider CST portfolio including Rehab and Recovery, CRISS, Complex Rehab and CREST services.

NHS England fund the Liaison and Diversion Services, via contracts with Wakefield Council in West Yorkshire and South and West Yorkshire Partnerships Foundation NHS Trust (SWYFT) in South Yorkshire.

### Reserves Policy

The Board has agreed as policy that the free reserves of the organisation, defined as the net current assets that are neither restricted nor designated for specific purposes, should be sufficient to provide a reasonable working balance to meet commitments as they become due whilst recognising the possible delays in receipt of grants and other income due. The Board has assessed that, under current circumstances, the free reserves should be the equivalent of 3 months' total anticipated expenditure.

Touchstone's restricted funds were £196,541 [2023: £190,669] – note 16 provides further details.

Based on the 2024/5 organisation budget and expenditure, free reserves should be £2,933k. As at 31 March 2024, free reserves (excluding unrestricted fixed assets) stood at £1,833k. The charity increases reserves by ensuring contracts deliver a minimum of 2.5% contribution towards them. At 31 March 2024, the reserves are £1,100k below the target level. Delivery of the Strategic Business Plan and preparation of the 2025/6 budget will aim to safeguard reserves in the short term and aim to reduce the gap over the medium term.

The Board's reserves policy also requires the Trustees to reassess any designated funds annually when reviewing its reserves so that no funds are needlessly designated and excluded from the calculation of reserves. Touchstone's designated funds, which are set aside to meet agreed essential future spending, remain at £64,777 and are primarily earmarked for maintenance and service user projects – note 18 provides further details.

Trustees are currently reviewing the reserves policy of the charity to ensure that it is fit for purpose and ensures that the charity is able to utilise its funds to achieve its objectives.

The trustees have assessed the major risks to which the charity is exposed and are satisfied systems are in place to mitigate exposure to them.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

### Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 30 November 1987, and a registered charity. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

### Appointment of Trustees

Trustees serve on the Board in the capacity of both Company Director and Charity Trustee. They receive no remuneration and any expenses reclaimed are set out in Note 7 to the accounts. Appointments to the Board are made at the Annual General Meeting in accordance with the detailed regulations set out in the Articles of Association. Between Annual General Meetings, the Board itself has the power to make further appointments to the Board.

One third of the Trustees retire every three years at the Annual General Meeting and are eligible for re-election.

The trustees encourage service user involvement with the Board and service users are invited to all meetings and have a standing agenda item for feedback. Former service users are also able to become trustees.

The charity complies with the charity governance code recommendation in relation to the Trustee maximum term of office (3x3 years) however one trustee's term was extended beyond this maximum due to their particular area of expertise within Adult Social Care and Safeguarding.

### Trustee Induction and Training

Potential trustees would generally meet with the Chair of Trustees and the Chief Executive and are invited to attend at least one Board meeting as an observer, before joining the Board. There is a new Open Recruitment policy for Trustees as well as an induction pack of organisational information for new trustees.

There is at least one Board Away day each year to reflect on strategy, performance, and future priorities with senior managers, as well as a Trustee only half day which considers governance matters.

At this meeting, Trustees have for the past four years conducted a facilitated self-assessment of their Governance performance using the key principles of the revised 2017 Charity Governance Code as parameters for the self-assessment process and the NCVO questionnaire framework.

The 2022 Governance Code Review noted overall improvements in governance performance measured against these key principles. The Board has again evaluated the possibility of an external review of this process and has concluded that this would not be cost effective for a charity of this size.

Trustees are encouraged and supported to attend other relevant training both externally and that provided by Touchstone.

### Organisational Structure

The Board of trustees, which shall not have less than 6 or more than 20 trustees, is responsible for the strategic direction and governance of the organisation. The Board meets at least five times a year and there are five sub committees covering Finance and Development, Operations and Quality Standards, Risk and Audit, Governance and a Joint Negotiating and Consultative Committee.

The management structure is headed by the Chief Executive, who is appointed by the Board to manage the day-to-day operations of the organisation. The Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and service delivery.

The Chief Executive is responsible to the Board for the operation and development of the organisation, in line with the Strategic Business Plan, and for advising the Board on strategy and policy issues. In this, the Chief Executive is currently assisted by the Senior Leadership Team consisting of the Deputy Chief Executive, Business Development Director, Director of Finance and Resources, Operations Director - Inclusion, Operations Director - Quality and Performance, and People and Culture Director.

### Key Management Remuneration Policy

Pay and remuneration for the charity's key management personnel are set by the trustees with reference to the standard local government pay scales. While annual cost of living increases are determined by national negotiation between local government employers and trade unions, the scale range of each role are periodically reviewed by trustees with reference to external comparators (benchmarks) including published salary surveys from reputable professional and industry bodies, and samples of advertised scales for similar roles being recruited in comparable organisations.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

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Risk Management

The Board of Trustees conducts regular and frequent reviews of the major risks to which the organisation is exposed through the Risk and Audit Committee, the Finance and Development Committee and the Operations Committee. This includes assessing the potential impact and likelihood, identifying the current controls in place, and those to be put in place, to mitigate the risk.

A corporate risk register is maintained of risks faced by the organisation under the headings of Governance, External, Business Development, IT, Regulatory & Compliance, Financial, Operational, Communications and PR and People and Culture. It is jointly compiled by trustees, senior managers and staff. Particular attention being paid to risks that the organisation sees as having a high potential impact and a high residual likelihood of occurrence despite existing controls.

Plans and strategies for managing and mitigating risks include seeking to diversify income sources, proactively managing commissioner relationships, robust budgeting to ensure delivery of best value for money, maintaining strong relationships with funders, a clear strategic direction, strong governance and quality assurance processes.

Touchstone holds insurances deemed suitable and sufficient for the scale and nature of operations, including Directors and Officers Indemnity cover.

The trustees, who are also the directors for the purpose of company law, and who served during the year and to the date of signing were:

<b>Trustee</b>	<b>Appointed</b>	<b>Resigned</b>
Sam Cheverton (Chair from 10/06/24)		
Janet Reynolds		
Philip Gleeson		
Sue Timothy		
Stephen Bailey		
Sally Anderson		
Richard Aimufua	11/03/2024	
Shahab Adris	11/03/2024	
Prof Edgar Meyer		01/10/2023
Dr Iwi Ugiabe-Green		01/10/2023
Tom Stanley		31/01/2024
Jeremy Horsell (Chair until 10/06/24)		10/06/2024
Andrea Beaver		06/09/2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2024

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees' report was approved by the Board of Trustees.



.....  
Sam Cheverton, Trustee (Chair)

Date: 09 December 2024

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE - LEEDS

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### Opinion

We have audited the financial statements of Touchstone - Leeds for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet and the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE – LEEDS (Continued)**

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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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE – LEEDS (Continued)

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### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019.

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

The laws and regulations we considered in this context were Charities Commission Regulations and requirements from funders.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and donation income and the override of controls by management.

Our audit procedures to respond to these risks included:

- enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities,
- sample testing on the posting of journals,
- reviewing accounting estimates for biases,
- reviewing contracts and carrying out detailed substantive testing on the completeness of income,
- reading minutes of meetings of those charged with governance; and
- obtaining confirmation from the trustees that there was no regulatory correspondence with the Charity Commission.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE – LEEDS (Continued)**

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Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Susan Seaman BA FCA CIOT  
(Senior Statutory Auditor)  
SAGARS ACCOUNTANTS LTD  
Chartered Accountants & Statutory Auditor  
Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG



09 December 2024

## TOUCHSTONE – LEEDS

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE)  
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2024	2023
		£	£	£	£	£
<b>INCOME FROM</b>						
Donations & Legacies	2	-	-	-	-	135,802
<i>Income from charitable activities:</i>	2					
Accommodation & Housing Support		618,869	-	-	618,869	557,135
Assertive Outreach & Support		1,409,210	-	-	1,409,210	1,495,391
Community Development Work		2,100,660	-	68,893	2,169,553	2,238,574
Daytime Activities & Support		5,372,020	-	9,950	5,381,970	5,191,014
Employment and Education		188,378	-	17,281	205,659	82,487
Neighbourhood Services		64,015	-	-	64,015	67,860
		9,753,152	-	96,124	9,849,276	9,768,263
Other trading activities	3	19,794	-	13,051	32,845	9,531
Bank interest		842	-	-	842	232
<b>TOTAL INCOME</b>		<b>9,773,788</b>	<b>-</b>	<b>109,175</b>	<b>9,882,963</b>	<b>9,778,026</b>
<b>EXPENDITURE ON</b>						
<i>Expenditure on charitable activities:</i>	4					
Accommodation & Housing Support		599,780	-	-	599,780	588,760
Assertive Outreach & Support		1,476,509	-	-	1,476,509	1,390,214
Community Development Work		2,177,056	-	69,157	2,246,213	2,214,810
Daytime Activities & Support		5,602,623	6,310	4,208	5,613,141	4,955,358
Employment and Education		179,515	-	17,281	196,796	81,086
Neighbourhood Services		65,327	-	-	65,327	65,523
Other trading activities		-	-	13,051	13,051	-
<b>TOTAL EXPENDITURE</b>		<b>10,100,810</b>	<b>6,310</b>	<b>103,697</b>	<b>10,210,817</b>	<b>9,295,751</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>( 327,021)</b>	<b>( 6,310)</b>	<b>5,477</b>	<b>( 327,854)</b>	<b>482,275</b>
Gains from investments	9	38,418	-	-	38,418	( 3,197)
<b>NET INCOMING RESOURCES</b>		<b>( 288,604)</b>	<b>( 6,310)</b>	<b>5,477</b>	<b>( 289,436)</b>	<b>479,078</b>
Transfers between funds		( 6,704)	6,310	395	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>( 295,308)</b>	<b>-</b>	<b>5,872</b>	<b>( 289,436)</b>	<b>479,078</b>
TOTAL FUNDS BROUGHT FORWARD		2,104,520	64,777	190,670	2,359,966	1,880,888
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,809,212</b>	<b>64,777</b>	<b>196,542</b>	<b>2,070,530</b>	<b>2,359,966</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## TOUCHSTONE – LEEDS

BALANCE SHEET AS AT 31 MARCH 2024 – COMPANY NUMBER 02200394

	Notes	2024 £	2023 £
<b>FIXED ASSETS</b>			
Tangible assets	10	119,910	130,679
<b>CURRENT ASSETS</b>			
Debtors	13	620,773	2,011,100
Investments	12	236,358	368,171
Cash at bank and in hand		<u>4,248,522</u>	<u>3,378,920</u>
		5,105,653	5,758,191
<b>CREDITORS: Due within one year</b>	14	<u>(3,155,034)</u>	<u>(3,528,904)</u>
<b>NET CURRENT ASSETS</b>		<u>1,950,619</u>	<u>2,229,287</u>
<b>NET ASSETS</b>		<u>2,070,530</u>	<u>2,359,966</u>
<b>REPRESENTED BY:</b>			
Restricted funds	16	196,541	190,669
Unrestricted funds			
General funds	17	1,809,212	2,104,520
Designated funds	18	<u>64,777</u>	<u>64,777</u>
		1,873,990	2,169,297
<b>TOTAL FUNDS</b>		<u>2,070,530</u>	<u>2,359,966</u>

The notes on pages 24-39 comprise part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 09 December 2024.



.....  
Sam Cheverton  
Trustee (Chair)



.....  
Stephen Bailey  
Trustee

TOUCHSTONE – LEEDS

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
<b>Cash flows from operating activities:</b>					
Cash generated from operations	20		699,372		(260,366)
<b>Investing activities</b>					
Proceeds on disposal of investments		115,773			
<b>Net cash (used in) / generated from investing activities</b>			115,773		-
<b>Net (decrease) / increase in cash and cash equivalents</b>			815,144		(260,366)
Cash and cash equivalents at the beginning of the year			3,433,420		3,693,784
<b>Cash and cash equivalents at the end of the year</b>			<u>4,248,564</u>		<u>3,433,418</u>
<b>Relating to:</b>					
Cash at bank and in hand			4,248,522		3,378,920
Notice Deposits			-		54,500

## 1. Accounting policies

### Charity information

Touchstone - Leeds is a company limited by guarantee incorporated in England and Wales. The registered office is Touchstone House, 2-4 Middleton Crescent, Leeds, LS11 6JU. The charity's principal activities are described in detail on page 5 along with the nature of the charity's operations. The company has adopted the following principal accounting policies which should be read in conjunction with the financial statements.

### Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

### Going Concern

Mindful of the increasingly challenging economic climate and sector landscape that impacts Touchstone in the form of public sector efficiency cuts and reforms in how services are provided, when reviewing the organisation's Strategic Business Plan 2021-6, the Trustees recognise significant strategic and operational work is required as part of the 2025/6 budget process to diversify Touchstone's existing income portfolio and review – and resize, if deemed necessary – its current operating cost base. In addition to promoting positive relations with current clientele in local authorities and the NHS to extend and renegotiate existing contracts and services and tender for new ones, and progressing grant applications as they arise, Touchstone is committed to identifying and delivering new mental health and wellbeing products and services in, thus far, untapped local markets.

Healthy reserves and cash balances combined with stringent financial management enable the charity to meet its obligations as they fall due and operate as a going concern while transitioning the mental health and wellbeing services provided to the community in Yorkshire.

On that basis, the trustees continue to adopt the going concern basis of accounting in preparation of the annual financial statements.

### Charitable funds

Funds held by the charity are either:

#### Unrestricted general funds

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

#### Designated funds

These are funds set aside by the trustees out of unrestricted general funds for specific future purposes of projects.

#### Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

## 1. Accounting policies (Continued)

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### Incoming resources

Rental income is credited in respect of the period to which it relates.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised 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.

Contract income and any other funding received in respect of the cost of providing services is credited to the income and expenditure account in the period to which it relates, unless it relates to a previously audited year, when it is credited as received.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement is established.

Income is recognised by the charity only when it is entitled to, it is measurable, and it is probable they will receive such income.

### Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed or proportionally charged to the functional categories of resources expended in the Statement Of Financial Activities [SOFA].

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. The costs include those related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Costs related to the management and administration of the organisation, which include senior management, finance and administrative support, and the overheads of premises shared by different service areas, are allocated to the functional areas by application of the following three factors:

- an assessment is made of the time devoted by central staff to the governance of the charity itself as distinct from support of its service areas. Currently it is assessed that 5% of the Directors and Senior Managers' time, and therefore other service costs, are allocated to this;
- costs related to shared premises are allocated in proportion to the floor area occupied by the different functional areas;
- costs related to 'primary' management, financial and administrative support are allocated in proportion to the staff costs of the different functional areas of the organisation.

### Tangible fixed assets

All purchases of and improvements to land and buildings costing more in total than £1,000 are capitalised and depreciated. Additions to office equipment and fixtures and fittings costing more than £1,000 are capitalised and depreciated. Refurbishment and tenancy furniture costing less than £1,000 is written off as incurred.

## 1. Accounting policies (Continued)

Freehold property is depreciated on a straight-line basis over 50 years. Freehold renovation is depreciated on a straight-line basis over 25 years.

Other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Office equipment	33%
Fixtures and fittings	15%

### Current asset investments

Touchstone intends its investment decisions to achieve the best financial return available consistent with the ethical principles reflecting the charity's aims. Touchstone recognises that all financial investments carry a level of risk and that the likely rewards of each investment rise in relation to the perceived level of risk. Touchstone intends to take a prudent approach, mitigating the specific risks of individual investments by ensuring diversification of investments, between classes of investment and individual investments, and by avoiding high risk investments entirely. No investment will be made in non-traded equities, hedge funds, commodities or derivatives.

Investments held as current asset investments are stated at fair value at the balance sheet date. Any difference between cost and market value is adjusted annually through the Statement of Financial Activities.

### Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered and impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 1. Accounting policies (Continued)

### Basic financial assets

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

### Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### Retirement benefits

The company operates a defined contribution pension scheme, the pension charge represents the amounts payable by the company to the fund in respect of the year.

### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

### Critical accounting estimates and assumptions

Deferred income is a critical estimate in the preparation of the financial statements. More information is included in the incoming resources accounting policy above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**2. Income from Donations & Legacies and Income from Charitable Activities****a) Donations & Legacies**

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2024	2023
	£	£	£	£	£
Legacies	-	-	-	-	135,802
	-	-	-	-	135,802

**b) Charitable Activities**

	Contract	Grant	Housing	Other	SDS	Total 2024	Total 2023
	Income	Income	Income	Income	Income	£	£
	£	£	£	£	£		
Accommodation & Housing Support	154,817	-	462,252	-	1,800	618,869	557,135
Assertive Outreach & Support	1,409,210	-	-	-	-	1,409,210	1,495,391
Community Development Work	2,083,879	84,598	-	1,075	-	2,169,553	2,238,574
Daytime Activities & Support	5,287,302	9,950	-	66,895	17,823	5,381,970	5,191,014
Employment and Education	132,057	20,000	-	53,602	-	205,659	82,487
Neighbourhood Services	62,217	1,798	-	-	-	64,015	67,860
	9,129,482	116,346	462,252	121,572	19,623	9,849,276	9,632,461

Legacy income from 2023 was restricted.

**3. Other Trading Activities**

	Unrestricted Funds	Restricted	Total 2024	Total 2023
	General	Funds	£	£
	£	£		
Other Activities	20,635	13,051	33,686	9,763

Income from other activities in 2023 was derived from unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

**4. Expenditure from charitable activities**

	Accomm & Housing Support £	Assertive Outreach & Support £	Community Development Work £	Daytime Activities & Support £	Employment & Education £	Neighbourhood Services £	Other trading activities £	Total 2024 £	Total 2023 £
Activity & Welfare Costs	492	5,482	88,333	48,769	12,904	4,042	9,176	169,198	149,754
Audit, Consultancy & Professional Fees	-	-	-	5,940	-	-	-	5,940	8,973
Central	5,430	39,213	77,966	141,203	1,611	1,680	-	267,103	253,130
Grants - Partners & Networks	-	-	172,908	1,176,477	4,600	-	-	1,353,985	1,121,131
Depreciation (Restricted)	-	-	-	4,078	-	-	-	4,078	5,689
Furniture, Repair & Renewal	34,039	-	7,549	2,541	-	-	-	44,129	48,354
Other Direct Service Costs	732	-	575	18,588	-	-	-	19,895	982
Other Office & Mgmt Costs	355	39	950	6,555	-	-	-	7,899	6,307
Premises Rent & Utilities	208,388	-	97,321	83,242	-	-	-	388,951	366,668
Printing, Stationery & IT	1,023	15,055	15,145	87,675	20,119	-	3,875	142,892	96,016
Property Maintenance	19,576	-	-	3,638	-	-	-	23,214	26,113
Provider Rent, HA Charges & Council Tax	-	-	2,828	-	-	-	-	2,828	-
Staff Travel, Recruitment & Training	4,422	31,196	17,387	34,608	1,345	1,209	-	90,167	86,677
Staffing Costs	242,916	1,185,548	1,455,104	3,229,656	132,237	49,082	-	6,294,543	5,803,697
Telephone & Postage	3,857	6,605	25,028	36,419	469	759	-	73,137	80,507
	521,230	1,283,138	1,961,094	4,879,389	173,285	56,772	13,051	8,887,959	8,053,998
Primary Support Costs	56,005	137,871	203,286	523,153	16,763	6,100	-	943,178	893,976
Supplementary & Governance Costs	22,545	55,500	81,833	210,597	6,749	2,456	-	379,680	347,777
	599,780	1,476,509	2,246,213	5,613,139	196,797	65,328	13,051	10,210,817	9,295,751

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

**5. Support costs**

	Charitable Activities £	Governance £	Total 2024 £	Total 2023 £
Specific 'Central' Salaries	657,735	15,732	673,467	637,428
Personnel Costs	120,643	-	120,643	98,759
Administrative Costs	158,829	114,627	273,456	260,929
Touchstone House Costs	255,292	-	255,292	244,636
Total	<u>1,192,499</u>	<u>130,359</u>	<u>1,322,858</u>	<u>1,241,752</u>

**6. Net movement in funds**

	Total 2024 £	Total 2023 £
Net movement in funds is stated after charging / (crediting)		
Auditors Remuneration	28,740	15,000
Depreciation of owned tangible fixed assets	10,769	16,764
	<u>39,509</u>	<u>31,764</u>

**7. Trustees**

None of the trustees (or persons connected to them) received any remuneration or benefits from the charity during the year [2022/3 – none].

There were zero expenses incurred on behalf of the charitable company and reimbursed to trustees during the year relating to travel, accommodation, and subsistence [2022/3: £443].

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**8. Employees**

	Total 2024 Number	Total 2023 Number
The average monthly number of employees during the year was:	256	255
<hr/>		
Employment Costs	Total 2024 £	Total 2023 £
Wages & Salaries	6,387,705	5,891,731
Agency & Relief Staff	48,797	4,420
Severance Payments	-	1,933
	<hr/>	<hr/>
	6,436,502	5,898,083
Social Security Costs	589,119	534,621
Other Pension Costs	145,961	131,062
	<hr/>	<hr/>
	7,171,582	6,563,766
<hr/>		
Remuneration of key management personnel is as follows:	Total 2024 £	Total 2023 £
Aggregate compensation inc employers NI and pension contributions	359,381	382,445
<hr/>		
Key management personnel comprises of the senior management team.		
The number of employees whose annual remuneration was £60,000 or more were:	Total 2024 Number	Total 2023 Number
£80,000 - £89,000	-	-
£70,000 - £79,000	1	1
£60,000 - £69,000	-	-
	<hr/>	<hr/>

**9. Net gains/(losses) on investments**

	Total 2023 £	Total 2023 £
Revaluation of investments	38,418	(3,197)
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**10. Tangible fixed assets**

	Freehold property (inc renovation costs)	Total
	£	£
<b>COST</b>		
At 1 April 2023	194,219	194,219
Additions	-	-
Disposals	( 1,189)	( 1,189)
At 31 March 2024	<u>193,030</u>	<u>193,030</u>
<b>DEPRECIATION</b>		
At 1 April 2023	63,540	63,540
Depreciation charged in year	10,769	10,769
Eliminated in respect of disposals	( 1,189)	( 1,189)
At 31 March 2024	<u>73,120</u>	<u>73,120</u>
<b>NET BOOK VALUE</b>		
At 31 March 2024	<u>119,910</u>	<u>119,910</u>
At 31 March 2023	<u>130,679</u>	<u>130,679</u>

**11. Tangible fixed assets (freehold property)**

	Land and buildings	Renovation costs	Fixtures and fittings	Total
	£	£	£	£
<b>COST</b>				
At 1 April 2023	152,623	4,631	36,965	194,219
Additions	-	-	-	-
Disposals	-	-	( 1,189)	( 1,189)
At 31 March 2024	<u>152,623</u>	<u>4,631</u>	<u>35,776</u>	<u>193,030</u>
<b>DEPRECIATION</b>				
At 1 April 2023	33,153	2,151	28,236	63,540
Charge for year	5,689	185	4,895	10,769
Eliminated in respect of disposals	-	-	( 1,189)	( 1,189)
At 31 March 2024	<u>38,842</u>	<u>2,336</u>	<u>31,942</u>	<u>73,120</u>
<b>NET BOOK VALUE</b>				
At 31 March 2024	<u>113,781</u>	<u>2,295</u>	<u>3,834</u>	<u>119,910</u>
At 31 March 2023	<u>119,471</u>	<u>2,480</u>	<u>8,728</u>	<u>130,679</u>

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

**12. Current asset investments**

	Total 2024 £	Total 2023 £
Investments	236,358	368,171

The movement on the investments balance in year is made up of the following:

	Equity £	Deposit £	Total £
As at 1 April 2023	313,671	54,500	368,171
Disposals at market value	( 116,485)	( 53,746)	( 170,231)
Gain/(Loss)	39,172	( 754)	38,418
As at 31 March 2024	236,358	-	236,358

**13. Debtors: amounts falling due within one year**

	Total 2024 £	Total 2023 £
Trade Debtors	499,378	1,786,957
Other Debtors	28,983	26,078
Prepayments and accrued income	92,412	198,066
	<u>620,773</u>	<u>2,011,100</u>

**14. Creditors: amounts falling due within one year**

	Total 2024 £	Total 2023 £
Trade Creditors	( 137,646)	( 176,835)
Other Taxation and Social Security	( 218,732)	( 153,141)
Other Creditors	( 33,080)	( 3,478)
Accruals and Deferred Income	( 2,765,576)	( 3,195,450)
	<u>( 3,155,034)</u>	<u>( 3,528,904)</u>

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

**15. Deferred income**

Deferred income movements in the year are as follows:

	Total 2024	Total 2023
	£	£
Brought forward	2,932,558	2,748,559
Recognised within the year	( 903,447)	( 888,632)
New deferrals in the year	528,649	1,072,631
Balance carried forward	<u>2,557,760</u>	<u>2,932,558</u>

Deferred income relates to income received in advance that the charity does not have entitlement until the service has been provided.

**16. Restricted funds**

The income funds of the charity included restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes.

	Movement in funds				
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Freehold Property	82,551	-	( 4,078)	-	78,473
The Big Lottery Fund Grant; WY-FI	30,306	-	-	-	30,306
The Big Lottery Fund Grant; PCP	13,252	-	-	-	13,252
ESIF: Connecting Opportunities	-	-	( 142)	142	-
CDW: MAP+ Project	53,232	-	-	-	53,232
ABCD Community Builder	-	20,629	( 20,629)	-	-
TB Awareness	4,564	4,614	( 4,614)	-	4,564
3rd Sector Visibility	1,700	-	-	-	1,700
BAME Dementia Support	-	9,950	-	-	9,950
Winter Warmer Grant (BT)	2,595	-	( 251)	251	2,595
Bradford Perinatal Support	-	-	13	( 13)	-
TOPS	1,298	35,536	( 35,536)	-	1,298
SU Digital Library	1,171	-	-	-	1,171
First Steps to Walking	1	8,113	( 8,127)	13	-
ND Filming Project	-	17,281	( 17,281)	-	-
Small Grants	-	13,051	( 13,051)	-	-
	<u>190,670</u>	<u>109,174</u>	<u>( 103,697)</u>	<u>393</u>	<u>196,541</u>

TOUCHSTONE – LEEDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

**17. Restricted funds (Continued)**

	Movement in funds				
	Balance at 1	Incoming	Resources	Transfers	Balance at 31
	April 2022	resources	expended	£	March 2023
	£	£	£	£	£
Freehold Property	88,239	-	( 5,689)	-	82,550
The Big Lottery Fund Grant; WY-FI	30,306	-	-	-	30,306
The Big Lottery Fund Grant; PCP	13,252	-	-	-	13,252
ESIF: Connecting Opportunities	-	99,464	( 116,129)	16,665	-
ESIF: Stronger Families	-	38,757	( 48,259)	9,502	-
CDW: MAP+ Project	53,232	-	-	-	53,232
ABCD Training & Facilitation	-	-	-	-	-
ABCD Community Builder	-	27,282	( 27,874)	592	-
Chapel Allerton Hub TLF	-	5,000	( 436)	-	4,565
TLF Funding	-	6,000	( 4,300)	-	1,700
Sikh Elders	-	1,300	( 1,300)	-	-
Winter Warmer Grant (BT)	-	7,965	( 5,370)	-	2,595
BFD Perinatal Support	-	36,676	( 37,276)	600	-
Movers & Shakers	-	33,546	( 32,248)	-	1,298
SU Digital Library	-	3,342	( 2,171)	-	1,171
	185,029	259,332	( 281,051)	27,359	190,669

Freehold property is the grant funded part of Touchstone House which houses several services and main offices.

The CDW Map+ Project fund represents funding received from Leeds City Council for targeted work with new migrant communities in Leeds.

The Big Lottery Fund Grants (WY-FI and PCP) funds represent the income and associated expenditure on two projects funded by Big Lottery.

ABCD Community Builder represents funds received from Leeds City Council to employ a community builder to lead an ABCD approach to communities within the Lincoln Green area of the city.

Additional funding and grants received to complement the work of the BAME Dementia Support Project.

TOPS extension of funding.

Winter Warmer grant monies to help support vulnerable individuals across Winter 22/23 and deliver TB awareness work. Alongside was a small grant for capacity building and visibility within 3<sup>rd</sup> Sector.

SU Digital Library – Provision of digital engagement through tablets and data to ensure that we continue to provide services to those vulnerable, isolated and unwell members of the most deprived communities of West Yorkshire

ND Filming Project – to provide support as part of the Workforce Transformation programme of work.

Balances at 31 Mar 2023 in respect of TLF [Touchstone Loves Food] were transferred to general funds and those in respect of Movers & Shakers were returned to funders.

TOUCHSTONE – LEEDS  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED 31 MARCH 2024

**18. Unrestricted funds – General**

	Movement in funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	
	Unrestricted funds	2,104,519	9,812,206	(10,100,810)	
	<u>2,104,519</u>	<u>9,812,206</u>	<u>(10,100,810)</u>	<u>(6,703)</u>	<u>1,809,212</u>

	Movement in funds				Balance at 31 March 2023 £
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	
	Unrestricted funds	1,631,081	9,515,497	(8,994,939)	
	<u>1,631,081</u>	<u>9,515,497</u>	<u>(8,994,939)</u>	<u>(47,119)</u>	<u>2,104,520</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**19. Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Movement in funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	
Touchstone House					
cyclical maintenance	5,000	-	( 3,951)	3,951	5,000
Support Centre					
cyclical maintenance	15,000	-	( 2,359)	2,359	15,000
dilapidations	25,000	-	-	-	25,000
Service User Evaluation	19,777	-	-	-	19,777
	<b>64,777</b>	<b>-</b>	<b>( 6,310)</b>	<b>6,310</b>	<b>64,777</b>

	Movement in funds				Balance at 31 March 2023 £
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	
Touchstone House					
cyclical maintenance	5,000	-	( 16,835)	16,835	5,000
Support Centre					
cyclical maintenance	15,000	-	( 2,925)	2,925	15,000
dilapidations	25,000	-	-	-	25,000
Service User Evaluation	19,777	-	-	-	19,777
	<b>64,777</b>	<b>-</b>	<b>( 19,760)</b>	<b>19,760</b>	<b>64,777</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**19. Designated funds (Continued)**

Touchstone House – cyclical maintenance is required to maintain the property; the trustees consider it prudent to designate sufficient funds to allow for future redecoration and routine maintenance above day to day repairs.

Support Centre – cyclical maintenance this fund is to allow for future decoration and routine maintenance, above strictly day to day repairs, to ensure the property is kept to a high standard.

Support Centre – dilapidations, this fund has been designated to meet the cost of internal and external decorating and any other repairs required at the end of the lease.

Service User Evaluation - The service user evaluation fund is for research that was commissioned by Touchstone and has been transferred from Restricted Funds during the year, the programme has been delayed and currently under review.

**20. Analysis of net assets between funds**

	Unrestricted Funds		Restricted Funds	Total
	General	Designated	Funds	
	£	£	£	£
Fund balances at 31 March 2024 are represented by:				
Tangible Assets	41,439	-	78,471	119,910
Net Current Assets	1,767,773	64,777	118,070	1,950,620
	<u>1,809,212</u>	<u>64,777</u>	<u>196,541</u>	<u>2,070,530</u>

	Unrestricted Funds		Restricted Funds	Total
	General	Designated	Funds	
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Tangible Assets	48,129	-	82,551	130,680
Net Current Assets	2,056,391	64,777	108,118	2,229,286
	<u>2,104,520</u>	<u>64,777</u>	<u>190,669</u>	<u>2,359,966</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**21. Cash generated from operations**

	<b>Total 2024</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>
(Deficit)/ Surplus for the year	(289,436)	479,078
Adjustments for:		
Investment income recognised in SOFA	-	-
Fair value (gains) and losses on investments	(38,418)	(741)
Depreciation and impairment of tangible fixed assets	10,769	16,764
Movements in working capital:		
Decrease/(increase) in debtors	1,390,327	(961,666)
(Decrease)/increase in creditors	(373,871)	206,199
Cash generated by operations	<u>699,371</u>	<u>(260,366)</u>

**22. Operating Lease Note**

The charity has future minimum lease payments under non-cancellable operating leases as follows:

	<b>Total 2024</b>	<b>Total 2023</b>
Expiring within 1 Year	1,981	-
Expiring within 2-5 Years inclusive	4,524	12,322
Over 5 Years	-	-
	<u>6,505</u>	<u>12,322</u>

**23. Related party transactions**

There were no related party transactions during 2023/4 [2022/3: £300].

**24. Members liability**

The company is limited by guarantee. Every member of the company is liable to contribute to the assets of the company in the event of the company being wound up either whilst they are a member or within one year of them ceasing to be a member, for payment of the debts and liabilities of the Association contracted before they ceased to be a member, and of the cost, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount not to exceed £1.

At 31 March 2024, the number of members so liable was 5 [31 March 2023: 5].