

TURNING TIDES

**TRUSTEES' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Charitable Housing Trust

A Company Limited by Guarantee

Registered as Turning Tides Homelessness

Charity Number: 1027832

Company Limited by Guarantee: 2708334 (England)

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Reference and administrative details of the Company, its Trustees and Advisers

Trustees	Ian Mintram (Chair) Richenda Kullar (Company Secretary) Duncan Anderson Timothy Cooper (appointed 28 September 2020) Matthew Hodson Moirra James Bill Jones (appointed 28 September 2020) Jane Lodge (appointed 28 September 2020) Alwen Lyons (appointed 28 September 2020) Martin Quinn David Standing Dr Linda Rockall (resigned 6 July 2020)
Company Registered number	2708334
Charity Registered number	1027832
Registered office	Worthing Town Hall Chapel Road Worthing West Sussex BN11 1HA
Company Secretary	Richenda Kullar
Chief Executive Officer	John Holmström
Independent Auditors	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG

Bankers

**HSBC
Goring Road
Worthing
West Sussex BN12 4AW**

Chair's statement

This year has, unsurprisingly, been dominated by the unprecedented challenges presented by the COVID crisis.

Early in the crisis the Government launched the 'Everyone In' initiative whereby all rough sleepers were required to be housed. Working closely with Councils and other agencies we managed to support an additional 150 people within a very short timeframe.

More generally the Charity managed to adapt and develop our services to ensure our Clients received the support they needed.

Coping with many enforced changes brought about by the pandemic undoubtedly put great stress on our staff - in particular our frontline staff who worked directly with clients throughout the various lockdowns. The Staff at Turning Tides deserve great credit for the extraordinary commitment they have shown.

As the immediate impact of this virus is hopefully receding, the Charity now faces the imminent increase in homelessness caused by the economic fallout from the pandemic. We have already seen a 45 per cent increase in rough sleeping in the first quarter of 2021.

In that context, it is vital we remain financially strong in order to meet the challenges ahead and we are hugely grateful for the tremendous support we have received from our donors, community partners and funders. Their help has been vital throughout this extraordinary year and we will continue to rely on their generosity in the coming years; as we strive to eradicate homelessness in all the areas where Turning Tides operates.

Ian Mintram
Chair of Trustees
June 2021

The Trustees present their annual report together with the audited financial statements for the year 1 April 2020 to 31 March 2021. The Trustees confirm the Annual Report and financial statements of the Company comply with current statutory requirements, requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to all charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the Company qualifies as medium under Section 382, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is included.

About Turning Tides

Turning Tides, previously Worthing Churches Homeless Projects (WCHP), was established by a group of local Christians in 1992, providing practical help and support to the local people sleeping rough in Worthing. The Charity rebranded in 2018 to Turning Tides, reflecting the development and delivery of services countywide.

Now, Turning Tides provides a wide range of homeless support services across West Sussex – as many as 39 different projects, all striving to achieve complete pathways out of homelessness. The Charity looks to enhance and develop a broad range of services in order to meet the diverse needs of those who have nowhere to call home.

Fundamental to the Charity's approach is the understanding that every client has their own unique set of circumstances which led to them becoming homeless. Consequently, we offer a varied and holistic model spanning low, medium and high support services. Empowering each client to achieve independent living is a unique personal journey, requiring services to be responsive and tailored, innovative and diverse.

Collaboration with local authorities, partner agencies and external providers is critical to ensuring a joined-up and inclusive approach. Turning Tides works within systems such as housing, health, social care, substance misuse and criminal justice ensuring equality of access for clients experiencing homelessness.

The Charity harnesses lived experiences of clients, which inform and shape service delivery. Recognising the trauma each individual has faced within a Psychologically Informed Environment ensures individual needs are central. Reflective and responsive service delivery enables people to thrive and move on.

Charitable Objectives

Turning Tides is a charitable housing trust whose objects, as set out in its Memorandum of Association, is to relieve poverty through the provision of emergency and other accommodation, advice and assistance for persons who are deemed homeless and / or in need of such accommodation, advice or assistance.

Our Vision, Mission and Ambitions

Our Vision

Ending local homelessness in the areas in which Turning Tides operates.

Our Mission

We are a community-led charity that puts clients and local people at the heart of our mission to end homelessness. To do this we will be:

- Ambitious - homelessness is not an inevitability
- A voice for homeless men and women
- A place of safety, respect and trust
- Kind, generous and warmhearted
- Engaging, motivating and inspiring
- Inclusive and welcoming
- Valuing faith, spirituality and our Christian roots
- Led by our clients' and communities' expertise and experience

Our Ambitions (now - 2024):

- To reduce rough sleeper numbers and develop pathways out of homelessness
- To be led by our clients' and communities' expertise and experience
- To be innovative and deliver good value in order to win new resources
- To grow a thriving, resilient organization that attracts and retains talent

Turning Tides' Services

The Charity provides a diverse range of services to meet the varied and complex needs of those who are homeless or at risk of becoming homeless. We operate across West Sussex covering Adur and Worthing, Littlehampton, Horsham District and Mid Sussex.

841 individual clients accessed the Charity's services in 2020 /2021, 459 of which were new clients. The early months of the year also included supporting approximately 150 additional people who were brought into emergency accommodation as part of the Government's 'Everyone In' initiative, to protect homeless people from the spread of Covid.

As at the end of March 2021 the Charity has 158 paid staff and 283 volunteers who currently deliver:

- **Hubs and Outreach** - Multi-agency centres where anyone who is homeless can receive practical help such as food, showers and clothing. Specialist staff supporting clients into appropriate accommodation and helping with health needs. Groups and community inclusion activities are held, reducing social isolation. Outreach teams also work in Horsham and Mid Sussex, including a Rough Sleeper Coordinator.
- **High and Medium Support Residential** - 5 high and medium support residential projects:
 - Lyndhurst Road – 34 bed short stay accommodation, 24/7 cover

- Byron Road – 15 bed complex-needs project, 24/7 cover
- Recovery Project – 28 bed Care Quality Commission ('CQC') registered drug rehabilitation, 24/7 cover
- Manor Road – 14 bed medium support, day support with on call
- St John's – 6 bed medium support, day support with on call
- **Move on Housing** - 19 move on properties with 108 beds across various properties. All low support
 - Worthing ----- 12 houses (62 beds)
 - Littlehampton ----- 3 houses (16 beds)
 - East Clayton ----- 1 house (5 beds)
 - Horsham----- 2 houses (8 beds)
 - East Grinstead ----- 1 house (17 beds)
- **Multi-Disciplinary Team** – specialist staff who provide additional support to clients across services.
 - Social Workers
 - Mental Health Workers
 - Mental Health and Trauma Coordinator
 - Complex Needs Specialists
 - Substance Misuse Worker
 - Dual Diagnosis Worker
 - Housing First Workers
 - Private Rental Sector Access Workers

Turning Tides Approach

Turning Tides is firmly committed to being psychologically and trauma informed (a PIE approach: Psychologically Informed Environment). This means we work carefully to understand the typically traumatic events leading to a person becoming homeless and the emotional impact of their experiences. We seek to create safe and positive relationships and environments so clients can begin to rebuild their lives and thrive. Our services are continually developed and delivered responsively to the needs of clients.

Taking a strengths-based and systems approach, Turning Tides also seek to coordinate resources across the sectors and within the community. Ending local homelessness cannot be achieved by the Charity alone. Time and time again the challenges and barriers clients face are systemic. The Charity listen to their experience and works with colleagues in other related systems such as housing, health, social care, substance misuse and criminal justice to create a "coalition of the willing" to end local homelessness.

Strategic Review

The Board of Trustees sets an annual budget accompanied by a 5 year financial business plan every March. This is accompanied by a detailed Organisational Plan which sets out how the business plan will be delivered.

In 2019 the following four ambitions were set:

- To reduce rough sleeper numbers and develop pathways out of homelessness
- To be innovative and deliver good value in order to win new resources
- To grow a thriving, resilient organisation that attracts and retains talent
- To be led by our clients' and communities' expertise and experience

The Organisational Plan is structured against these ambitions. Progress against the Plan is reviewed quarterly by the Management Team and Board of Trustees using a Red Amber Green (RAG) system. In addition, KPIs are monitored across all the Charity's services and functions. These are also reviewed quarterly by the Management Team and Board of Trustees.

Achievements and Performance

Covid 19 and 'Everyone In'

Covid 19 ushered in a truly historic moment for the homeless sector. In March, we received an instruction from national Government giving us two weeks to implement an emergency response to the spread of the virus. Working with partners, we were asked to find every person sleeping rough and bring them into emergency temporary accommodation. This quick response was crucial; even without a deadly virus homeless people die 30 years sooner than the general population.

In West Sussex, a multi-agency Task Force was immediately established, including West Sussex County Council (WSCC), all the District and Borough Councils, other local homeless charities, the Police, Probation, NHS mental health services, primary care and MHCLG Special Adviser. The group met twice weekly to coordinate the response and unprecedented numbers of homeless people were given shelter in newly vacant hotels and B&Bs. This ground-breaking initiative was named 'Everyone In'. Across the nation some 37,500 homeless people were involved – shining a light on the real extent of homelessness which is now understood to be nine times more than the pre-Covid Government estimate.

It is hard to convey the enormity of this achievement and its impact on the sector. What happens next to all these people is absolutely crucial - and of real concern - but for a moment in history, homelessness was all but briefly ended.

Everyone In demonstrated that given the mandate and means, rough sleeping can be dramatically reduced. Partnership working was key and relationships flourished in the face of adversity. On the ground, our frontline staff worked every hour to build trust with people who were sleeping rough in order to support them into emergency accommodation. Hundreds of wellbeing and isolation packs were distributed across the county containing essentials such as food and toiletries, in addition to wellbeing exercises to combat loneliness. Crucially, our keyworkers, and particularly our Hubs, adapted their work to visit hotels and B&Bs to provide emotional and practical support throughout.

At the same time 24-hour counselling telephone support was quickly established, and much needed, as fear and isolation took hold. Our face-to-face wellbeing support had to move to digital platforms and we secured funding to support our staff and clients with equipment and skills, to ensure they had the ability and confidence to connect. This way of working will enhance our offer beyond Covid and

has enriched many relationships. However, digital inclusion remains a challenge, as some clients are not yet able to fully access the skills and resources needed.

Overall, *Everyone In* was a remarkable success, saving lives and strengthening systems and relationships in a way never seen before. The road ahead, however, is deeply concerning. In West Sussex, a record number of nearly 1,000 people are in emergency temporary accommodation with limited support and limited pathways out of homelessness. For some clients, this short-term security has provided the stability they needed to start rebuilding their lives. For others, the future looks more challenging.

Beyond 'Everyone In'

In the last quarter of 2020-21, we have seen a 45% increase in the number of people rough sleeping, compared to the previous quarter. This increase is undoubtedly due to a shift in focus as local authorities are no longer consistently accommodating rough sleepers under *Everyone In*.

On top of this, more and more people are presenting as homeless as the full economic impact of Covid begins to reveal itself. In Worthing, for example, the number of people reporting as homeless doubled last year. Further north, Horsham District Council reported record numbers, dealing with 800 enquiries relating to homelessness in the first six months of the year.

A great deal has been accomplished but we now face a different – and very real - crisis. A lack of affordable housing, increased economic hardship and record numbers in unsupported temporary accommodation all combine to create a perfect storm of homelessness.

Our Services

Whilst adapting to the specific challenges of the pandemic we have managed to push forwards in other areas too. Improving actual pathways out of homelessness has been key: compared with last year, there has been a 73% reduction in clients returning to rough sleeping following our intervention and support (2020: 55, 2021: 15). Our commitment to offering tailored support to each individual underpins this improvement.

Perhaps most crucially we have added 19 further units of much needed accommodation countywide. These include the addition of houses in Littlehampton, Burgess Hill and Worthing as well as creating further units within our current residences.

We operate a diverse number of services and projects throughout West Sussex, 39 in total, only some of which we have space to explore here.

Community Hubs

Our Community Hubs faced significant challenges to deliver frontline services amidst lockdowns and social distancing measures. Flexibility and resourcefulness both played a part as the Hubs implemented booking systems (rather than free-flow access), developed food takeaways, delivered essential support kits to emergency accommodation and increased outreach provision.

In both Worthing and Littlehampton, staff worked closely in the nearby hotels accommodating our clients during the lockdowns. In recent months, our Worthing Hub has also evolved towards a more multi-agency approach, enabling stronger pathways of support for clients. Our Littlehampton services benefited from the generosity of a number of local donors, including the Rotary Club Of Littlehampton, Trinity Church Littlehampton, Sompting Masonic Lodge and Rustington Lodge of Free and Accepted

Masons. This and other vital support enabled us to move the Littlehampton Hub to a larger venue and refurbish the space to include showers and private one-to-one spaces. We also secured the lease and renovation of a 6 bedroom house next door to the Hub which expands our housing provision in the area.

In Horsham and Mid Sussex, our Hub spaces were closed for safety and the Team moved to an outreach model. Many clients in this locality face multi-disadvantage and have struggled without support for a long time. Our Mid Sussex Team made significant inroads with some and throughout this year we have seen an increase of 53% in the number of clients supported in Mid Sussex - an increase that is evidence of the development of our work within the district. Thanks to a partnership with Worthing Homes and a grant from the Ministry for Housing Communities and Local Government, we have also opened a new 6 bedroom project in Burgess Hill. These developments have strengthened our important relationship with Mid Sussex District Council.

Also in Mid Sussex, we were given the opportunity to acquire a double decker bus. The bus has now been fitted with a kitchen, toilet and shower, and digital equipment, enabling it to run as a mobile Hub in an area where rough sleeping is often rural and dispersed.

Residential Projects

Elsewhere, in Worthing, a successful tender has secured the future our Recovery Project for the next 6 years. This is a Turning Tides-led partnership with Stonepillow and Emerging Futures and will help many to move on from addiction.

Our hostels, Byron and Manor Road, significantly refined their provision, increasing their effectiveness to support people on their journey to independent living. Likewise, our East Grinstead project, West Hill, made a similar transformation and better aligned its provision with local need, empowering more people to move into their own home.

Overall, planned departures in our high support projects increased by 11% this year, as opposed to last (2020: 55%, 2021: 66%), with exceptional performances notably Byron, with an average of 93% of planned departures. Our Selden Road project also improved planned departures by 12%. Low/medium supported accommodation in Worthing achieved an average of 96% planned departures and Littlehampton achieved 100%.

Housing First has developed significantly within our services this year, with work taking place to build the infrastructure necessary for its success. Housing First is an alternative to a system of transitional housing progressions i.e. high, medium and low support. Rather than moving homeless people through different 'levels' of housing, where each level moves them closer to independent living, Housing First moves the homeless person immediately from the streets into their own accommodation. A support plan is also created to help them rebuild their life.

While the potential of Housing First will be realised throughout next year, vital relationships have been forged during the last year that will pay dividends in the next. At the time of writing, we are working with nine individuals who have been offered accommodation and we plan this to increase. Housing First remains one of the most desirable models for our clients to reach independent living.

We also implemented a successful Discharge to Access (D2A) scheme that supports people with mental health difficulties as they leave hospital and adjust again to life at home. This scheme has been recognised by partners as exemplary.

The number of clients supported by the Multi-Disciplinary Team (MDT) in 2020/21 increased by 47% in comparison to the previous year, attributable to the expansion of the MDT service, including HARP (Hospital Admission Reduction Pathway), Staying Well, D2A and Ending Women's Homelessness projects. Our data shows that 219 clients have a mental health diagnosis and 381 have a self-reported mental health difficulty. Investment in mental health support is, therefore, a key growth area in 2021/22.

As we look to move beyond Covid and temporary emergency measures, our most pressing priority is to find effective and sustainable Move On Housing. We are seeing, and anticipate, increases in levels of homelessness. In order to meet this increased need and welcome more people into our services, we also need to empower others to move on. With such a shortage of affordable housing we will inevitably need to continue to create some of these housing solutions.

Our Team

We cannot praise our staff enough for their selfless determination throughout the pandemic. At the onset, we implemented significant changes to working practices in order to minimise the spread of infection. New protocols for our frontline staff had to be swiftly adhered to but could not eliminate real risks to our keyworkers' health. Staff across the organisation also voluntarily opted to become a new relief team as part of contingency planning. This was activated to ensure staffing could be sustained during heightened periods of absence and increased client need.

Other, less front facing staff, rapidly migrated workstations from office to home, which presented numerous challenges in terms of work-life balance and wellbeing. The pressure and stretch have been felt across our whole organisation and are still present. Additionally, our Team have battled illness and the inevitable spread of infection throughout some of our services, working hard at every step to minimise the danger; they have also rallied to facilitate speedy vaccinations for clients, to provide them with the protection so desperately needed.

Our generous volunteers were largely stood down, to ensure their safety. This denied them the opportunity for the social connection and altruistic 'giving back' they, and we, treasure. We worked hard to remain connected with them throughout the pandemic, ensuring volunteering can be re-engaged in service delivery at the soonest opportunity. The enormous contribution of our volunteers was formally and nationally recognised this year when the charity was awarded the prestigious Queen's Award for Voluntary Service. At the time of writing, plans are being made for the presentation of the award once social distancing restrictions ease.

Our HR Team had to interpret changing employment law on an almost daily basis and focused on establishing a comprehensive range of wellbeing support for both staff and volunteers. Training was revised towards a re-launched training programme with greater emphasis on mental and emotional health and resilience.

During this time, our Quality Team were instrumental in helping the organisation adapt to the threat of Covid. They played a vital part in keeping staff, volunteers and clients safe. We strengthened and expanded our Health and Safety Team and practices, deploying a number of measures including the reduction of footfall into services, bubbling of staff through modified shift patterns and stringent rapid testing across all our services.

Incredibly, in spite of the huge challenges, this year has seen a reduction in staff turnover (2020: 4.4%, 2021: 3.6%) and reduction in short term staff sickness (2020: 656 FTE days, 2021: 258 FTE days) - a

real testament to the resilience and dedication of our Team. Understandably, we are beginning to see signs of fatigue and strain, so supporting our invaluable workforce will be crucial moving forwards.

Community Support

As with many charities, we started the year with apprehension that fundraised income would dramatically decrease as a result of lockdown measures, cancelled fundraising events, and the impact of the pandemic on the economy and public giving. Forecasted figures implied an anticipated drop of at least 50% in fundraised income, alongside an impact on the trusts and foundations that are so crucial to funding services.

The Fundraising and Communication Team, and, the Business Development Team, worked exceptionally hard to rework our entire fundraising programme and make rapid grant applications. We launched the charity's first ever Emergency Appeal and worked creatively and energetically within the wider community to rally support during these unprecedented times. We are incredibly grateful to our supporters and the wider public for their generous response to these requests for help. One talented local fundraiser, Phil Heckels (Hercule van Wolfwinkle) has raised a staggering £80k which also paved the way for an online merchandise platform. Overall, our Fundraising and Communication Team secured income substantially over target and this supported a range of vital work across the county including the opening of a new project for people sleeping rough in Burgess Hill.

The Business Development Team secured £1.8m through grants and trusts, not just protecting the delivery of our services but also developing them. In addition to this, their skills brought significant gain to some of our partners; by leading on joint bids and developing partnership projects we secured a further £1.4m for other local authorities and charities too.

This incredibly hard work and resulting generosity enabled us to achieve three crucial things: 1) we continued to provide our services and help those most in need; 2) we could expand our services to support the influx of new clients and make preparations for the significant challenges ahead; 3) we were able to increase our financial reserves to hit our target range.

We are enormously grateful to every person, partner, community group, company, school, church, foundation - and all the many others – who have supported Turning Tides this year. These supporters have not just enabled us to save lives, but also rebuild lives, so clients can begin to create the future they long for. As we look ahead, we fear a much harder landscape and have concerns about our ability to meet the future demand on our services. These worries aside, we couldn't be more grateful for the gift of community generosity towards local people who have lost everything.

KPIs

	2019-2020	2020-2021	% Increase or Decrease
Pathways out of homelessness:			
Average length of rough sleeping of new clients (in weeks)	16.8	5.8	65% -
Number of clients who returned to sleeping rough after being helped	55	15	73% -
Number of clients rough sleeping at end of Q4	23	16	31% -
% of new clients with local connection	80%	84%	5% +
Number of new clients taking up high support residencies with Turning Tides	104	118	13% +
Average length of stay in high support projects (in weeks)	39.5	29.3	26% -
Total high support move ons	105	107	2% +
% planned high support departures	55%	66%	20% +
Total individuals supported by Multi-Disciplinary Team	244	359	47% +
Total individuals supported by Community Inclusion Team	149	240	61% +
Welfare alerts	112	50	55% -
Accommodation:			
Total high and medium support units of accommodation	77	97	25% +
Total low support units of accommodation	105	108	3% +
HR:			
Voluntary staff turnover	18.3%	14.9%	3.4% -
Stability indicator	69.3%	73.8%	4.5% +
No of training sessions provided	20	101	405% +

Future Plans

The year ahead will see us focus more on the wellbeing of our clients and team. We will be rolling out greater training and resources across the organisation to ensure our work is psychologically informed and takes place within a compassionate and empowering framework for staff, volunteers and clients alike. Where we can, we are seeking longer term funding models rather than short term interventions that are costly to set up and potentially damaging to clients when wound down. We will also be developing our co-production forums and involving clients to a greater degree in our decision making, much of this work had to be paused this year as we adhered to social distancing measures.

A deeper focus on Equality and Diversity will also come to the fore and a significant IT step change will enable us to embrace hybrid working so our homeworking staff can also access shared spaces and office resources.

In 2022, Turning Tides will be turning 30 and applying for Housing Association status. This milestone will enable us to access additional grants that, in turn, will enable us to deliver increased accommodation.

A Homeless Crisis:

Our biggest challenge, undoubtedly, will be to respond to the emerging homeless crisis. Record numbers of people are in emergency temporary accommodation across West Sussex. These arrangements provide a roof for now, but little else, and certainly no plan for the future. People are often completely unsupported, with complex needs, at risk of exploitation and harm, and in a sense more hidden than ever.

A critical shortage of affordable accommodation and barriers in the private rented sector can hold us back from supporting people to move on. We can find ourselves in a situation where we have clients ready to move to independent living but are still 'stuck' due to a lack of housing opportunities. Without this mobility our services can become 'stuck' too, unable to support the influx of new people.

We are committed to doing everything we can to ensure no one faces homelessness alone. Nevertheless, it will be a challenge for us to implement sustainable growth that genuinely meets need and is also deliverable for our Team. And, of course, we will also need the support of the community and our partners throughout. The end of the pandemic might be appearing on the horizon – but a homeless crisis is just beginning.

Principal Risks and Uncertainties

Turning Tides has a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks we may face, prioritising them in terms of potential impact and likelihood of occurrence, and identifying the means of mitigating the potential risk. This analysis forms the Risk Map. The Risk Map is reviewed on a regular basis by relevant members of the Management Team and the Board of Trustees. The Board of Trustees have the responsibility for ensuring risks are identified and appropriate mitigations are in place as required by the Risk Action Plans.

Turning Tides recognises the role of robust KPIs and Organisational Plans together with the Risk Map in mitigating risk. The terms of reference of the Finance Committee (a subcommittee of the Board of

Trustees) were broadened to a Finance and Audit Committee, to include the detailed review of the KPIs, Organisational Plan and Risk Map on a quarterly basis. Additional trustees have joined the Committee during 2021 to assist with these quarterly reviews.

The Charity actively reviews its key risks and how these can be mitigated. Significant risks are shown in the table below:

Risk	Risk Action Plan
Inability to end local homelessness and deliver mission due to increase in homelessness following long term impact of the pandemic and austerity measures.	Finding shared purpose, and generating social movement to end local homelessness in wider system, and make good progress against our ambitions.
Pandemic/austerity results in sudden change in commissioning or drop in housing benefit levels which renders services unviable.	Gain intelligence and influence wider system and new developments. Drive efficiency. Ensure organisation can adapt quickly to changed circumstances and new opportunities. Increase investment in Business Development capacity.
Increased homelessness if Lyndhurst Road not re-provisioned and sufficient move on housing procured.	Pursue application to register as Housing Association. Ensure strong business plan can support borrowing and housing development risk. Invest in Private Rented Sector Access Development Worker.
Increase in homelessness due to lack of vacancies resulting from slow throughput within residential services.	Identify move on needs and in particular clients who are ready to move but restricted by lack of housing opportunities. Implementation of PIE/co-production leading to higher and sooner planned moves. Increase move on options.

Covid – 19

The Charity responded effectively to the risks of Covid 19 and quickly introduced social distancing and infection control measures. It took a leading role in the West Sussex multi-agency response to ensure a coordinated and sustainable strategy evolved. The combined result of this has led to very low infection rates as at the date of this Report, notwithstanding some challenges around infection and illness throughout January and February. As a consequence of this careful management, high occupancy levels in our housing have been maintained and are likely to continue. Its main income source is, therefore, secure.

Robust planning has been put in place to mitigate the challenges of Covid-19. Frequency of Board and management meetings have been increased until confidence returns that the pandemic no longer creates a risk.

Financial Review

During the 2020/21 Financial Year Turning Tides has generated an underlying surplus of £267k compared to a budget of £132k. This over-target income enables us to 1) meet extra need for our services as homelessness escalates and 2) move our reserves to a more acceptable level of between two to three months' running costs. The financial performance is due to:

- Strong infection control measures and, therefore, the continuation of core services throughout the pandemic
- Consistent Government funding
- Levels of individual and community donations

The following table shows the reconciliation between the statutory accounts and underlying financial performance.

Reconciliation	2021	2020
	£k	£k
Underlying Turning Tides surplus/(deficit):	267	44
Non cash grant funding transferred with the acquisition of 2 client properties (Move-on Housing)	618	-
Pandemic specific funding	321	-
Ravenscourt Trust	nil	140
Net surplus/(deficit) before transfers	1,206	183

During the financial year Turning Tides acquired 2 properties in Horsham. The grant liability (Public Health England) of £618k was transferred and is shown as income in the 2020/21 accounts after adjusting for impairment.

The Charity strives to make efficient use of its resources and has achieved an average occupancy level (including maintenance voids) of 90.5% (2020 = 93.9%). Bad debts were 0.7% (2020 = 2.3%) of rent due against a target of 2.5%.

Reserves Policy and Going Concern

The Charity aims to match income and expenditure year to year while maintaining a suitable level of cash reserves. Having a Reserves Policy helps inform the way in which a charity manages its cash, liquid assets and debt. Reserves are defined to be cash held in current, deposit or fixed term investments that are not already specifically committed or designated to a particular purpose or expense.

Reserves should be consistent with ongoing activities and financial commitments such that reductions in and/or loss of income streams do not have an immediate adverse impact on clients or staff. This is particularly crucial for Turning Tides as much of our funding from commissioners and trusts is short term. This can sometimes create an environment where we are empowered to support people for all too brief a period, and then have to close a project. Consequently, we strive for reserves which enable us to commit to services longer term and bring lasting change to the lives of clients.

Cash reserves also provide vital funding that allows us to 1) respond in an agile manner to increased need and 2) trial and deliver interventions that wider systems have failed to put in place.

The Reserves Policy contributes significantly to the Board’s ability to balance the needs of current and future clients, to provide supporters and stakeholders with assurances the charity is well managed and it has, where appropriate, a strategy for building up reserves. The Reserves Policy also assists when planning and explaining our mission to supporters and stakeholders, and in particular how it is vital for us to retain resources, focus and energy. This is because our mission is not simply to maintain the delivery of our current support services – we also need to innovate, grow and develop services, systems and partnerships that can actually contribute to the ending of local homelessness.

In setting the appropriate level of Reserves the Trustees have considered the following:

- Forecast cashflow (taking into account the reliability of each source of income and the commitments associated with each source of expenditure)
- Risk and likely changes in the main sources of income / expenditure
- Existing restricted and designated reserves along with expenditure plans / timescales
- Future income streams with an assessment of their reliability
- Committed expenditure and how far this is controllable
- The assessment of how to cope with changes in the main sources of income
- Likely effects on the beneficiaries resulting from significant changes to income/cost
- New opportunities not in business plan
- The level of fixed assets, borrowing and loan repayment risk

Using the policy described above, the Trustees in collaboration with the Chief Executive Officer and Head of Finance have agreed the following thresholds:

	£
Minimum reserves level	
Sudden loss of funding for one project	£200k
General loss of funding in one year	£300k
New opportunities not in business plan	£250k
Total	£750k
Maximum reserves level	
Double the minimum reserves level (being approximately 3 months operating costs)	£1,500k

If reserves fall, or are forecast to fall, below the minimum level agreed, the Trustees will work with the CEO and Senior Management Team to agree plans and drive actions that will replenish reserves to above that minimum.

Conversely, if reserves rise above the maximum level agreed the Trustees will work with the CEO and Senior Management Team to ensure the excess is explicitly considered and included within future plans to further the charity’s aims such that, over a defined period, reserves are brought back within the agreed range.

At the year end, total funds were £6,877k (2020: £5,671k). Unrestricted reserves (cash less restricted and designated reserves which are unrelated to Fixed Assets) amounted to £1,067k (2020: £620k) which falls within our target range. Unrestricted reserves are forecast to increase to £1,272k during the 2021-22 year.

Restricted funds received from Adur Furniture Network will be utilised if/when an appropriate opportunity with long term, sustainable benefit is identified. Ravenscourt funding is being utilised to fund a specific revenue expense over the following 10-15 years.

Our accounts also show a designated fund associated with our property in East Grinstead (West Hill) which has been used to help improve the building and support services offered to clients in the local area. The remaining funds will be utilised fully during 2021-2 to fully refurbish the property.

Structure, Governance and Management

Turning Tides is a registered charity. Turning Tides is registered as a company limited by guarantee. Trustee members are also Directors of the Company.

The governing documents of the Charity are its Memorandum and Articles of Association. The latter was updated in line with good practice in 2020.

There are currently 11 Trustees out of a possible 15. During the course of the year 4 new Trustees were appointed and one Trustee retired.

With regard to recruitment of Trustees; when a vacancy occurs the Board will take the opportunity to review the skills matrix of Trustees in order to identify skill sets that would strengthen the Board's overall effectiveness. In addition, consideration is given as to whether there is a need for any specific community or stakeholder group that needs to be represented by a new Trustee.

Positions are advertised widely to encourage a diversity in applications. Applicants undergo a structured interview process. There is also client involvement in the interview process. The Board operates an equal opportunities recruitment policy.

Induction information covering the role and responsibilities of Trustees are provided to the Trustees and governance updates are provided as and when appropriate.

Trustees are all volunteers and receive no remuneration.

Trustees are required to disclose all relevant interests and register them with the Chief Executive Officer and withdraw from any decision making process where there is a conflict of interest.

The Board of Trustees is the governing body of Turning Tides and is responsible for all its activities and affairs. The operational running of the Charity is delegated to the Chief Executive Officer and his/her Senior Management Team. During 2021/2022 existing governance documents will be reviewed with new standing orders developed together with a detailed table of delegations.

The Board meets as a full Board at least 4 times a year. During the COVID crisis the Board met on a weekly basis to enable swift decision making during this difficult time.

The Charity benefits from 2 sub committees which have been established to overview key areas of activity. Each sub-committee has clear terms of reference.

- The Finance and Audit Committee meets monthly
- The Remuneration Committee meets 2-3 times a year

These sub committees report to the main Board at each main Board meeting.

The Remuneration Committee is tasked with reviewing the salaries of the Chief Executive Officer and the Senior Management Team. The Committee reviews the relative size of the roles and receives information on market comparisons through two comprehensive surveys of local charity sector pay.

Public Benefit Statement

Turning Tides' object is the relief of poverty through the provision of accommodation and advice to those who find themselves homeless or at risk of homelessness. The services are provided across West Sussex.

As a Charity with a Christian background and ethos Turning Tides provide services to any adult member of the general public regardless of whether they have a personal faith in any religion or denomination, or have none.

Turning Tides asks for no membership fees from individuals in order to benefit from assistance.

Trustees' Responsibilities Statement

The Trustees (who are also the Directors of the Charity 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 Charity 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 charity will continue in business.

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

Disclosure of information to auditors

Each individual Trustee, at the time when this Trustees' Report is approved, has confirmed:

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

Approved by order of the members of the board of Trustees on and signed on their behalf by:



I Mintram
Chair

20 AUG 2021



T Cooper
Chair of Finance & Audit committee

20 AUG 2021

Turning Tides Homelessness
(A company limited by guarantee)

Independent auditors' report to the Members of Turning Tides Homelessness

Opinion

We have audited the financial statements of Turning Tides Homelessness (the 'charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Turning Tides Homelessness
(A company limited by guarantee)

Independent auditors' report to the Members of Turning Tides Homelessness (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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.

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.

Opinion 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' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Turning Tides Homelessness
(A company limited by guarantee)

Independent auditors' report to the Members of Turning Tides Homelessness (continued)

Auditors' 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 Auditors' 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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, the CQC, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Statement of Recommended Practice applicable to charities. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the allocation of costs and depreciation. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Turning Tides Homelessness
(A company limited by guarantee)

Independent auditors' report to the Members of Turning Tides Homelessness (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Ediss BSc FCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Horsham

10 September 2021

Turning Tides Homelessness
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	558,079	800	558,879	274,540
Charitable activities	4	4,448,912	1,041,558	5,490,470	3,862,786
Investments		906	-	906	2,206
Total income		5,007,897	1,042,358	6,050,255	4,139,532
Expenditure on:					
Charitable activities	5	4,469,305	375,265	4,844,570	3,955,886
Total expenditure		4,469,305	375,265	4,844,570	3,955,886
Net income before net losses on investments		538,592	667,093	1,205,685	183,646
Net losses on investments		-	-	-	(346)
Net movement in funds		538,592	667,093	1,205,685	183,300
Reconciliation of funds:					
Total funds brought forward		4,730,848	940,749	5,671,597	5,488,297
Net movement in funds		538,592	667,093	1,205,685	183,300
Total funds carried forward		5,269,440	1,607,842	6,877,282	5,671,597

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

The notes on pages 28 to 51 form part of these financial statements.

Turning Tides Homelessness
(A company limited by guarantee)
Registered number: 02708334

Balance sheet
As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	5,512,617	4,758,918
		<u>5,512,617</u>	<u>4,758,918</u>
Current assets			
Debtors	12	201,395	274,149
Investments	13	128	128
Cash at bank and in hand		1,510,520	1,010,269
		<u>1,712,043</u>	<u>1,284,546</u>
Creditors: amounts falling due within one year	14	(253,442)	(253,812)
Net current assets		<u>1,458,601</u>	<u>1,030,734</u>
Total assets less current liabilities		<u>6,971,218</u>	<u>5,789,652</u>
Creditors: amounts falling due after more than one year	15	(93,936)	(118,055)
Net assets excluding pension asset		<u>6,877,282</u>	<u>5,671,597</u>
Total net assets		<u><u>6,877,282</u></u>	<u><u>5,671,597</u></u>
Charity funds			
Restricted funds	16	1,607,842	940,749
Unrestricted funds	16	5,269,440	4,730,848
Total funds		<u><u>6,877,282</u></u>	<u><u>5,671,597</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 20 August 2021 and signed on their behalf by:



T Cooper



I Mintram

The notes on pages 28 to 51 form part of these financial statements.

Turning Tides Homelessness
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	851,359	394,714
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	906	2,206
Purchase of tangible fixed assets	(329,071)	(11,054)
Proceeds from sale of investments	-	135,655
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(328,165)	126,807
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(22,943)	(333,043)
	<hr/>	<hr/>
Net cash used in financing activities	(22,943)	(333,043)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	500,251	188,478
Cash and cash equivalents at the beginning of the year	1,010,269	821,791
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,510,520	1,010,269
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 28 to 51 form part of these financial statements

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

1. General information

The company is a private company, limited by guarantee, incorporated in England and Wales within the United Kingdom. The Trustees of the company are the members of the company named on page 3. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

The address of the registered office is Worthing Town Hall, Chapel Road, Worthing, West Sussex, BN11 1HA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

While the impact of the Covid-19 virus has been assessed by the Board, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the organisation's activities. However, taking into consideration the UK Government's response and the organisation's planning, the Board have a reasonable expectation that the organisation will continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

2. Accounting policies (continued)

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of direct staff cost at each project.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

The charity only capitalises major capital expenditure relating to the construction or extensive refurbishment of property and the purchase of vehicles.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Freehold land	- not depreciated
Lease premium	- 2.5% straight line
Motor vehicles	- 25% straight line
Building improvements to leasehold buildings	- 33.3% straight line

2.8 Investments

Asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.9 Debtors

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

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

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

2.14 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.15 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

- depreciation and useful economic life of properties - this requires an estimation of the useful economic lives of properties (which are based on surveyors' reports when available) and an estimate of land apportionment at each site.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	381,516	800	382,316
Legacies	10,036	-	10,036
Government grants	166,527	-	166,527
	<u>558,079</u>	<u>800</u>	<u>558,879</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	265,145	1,395	266,540
Legacies	8,000	-	8,000
	<u>273,145</u>	<u>1,395</u>	<u>274,540</u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Bryon, Manor and Lyndhurst	1,448,256	-	1,448,256
Homelessness Services	929,454	290,471	1,219,925
Recovery Services	688,582	-	688,582
Fundraising & Volunteering	274,330	72,351	346,681
Move on Housing	1,053,537	675,000	1,728,537
Central	51,186	3,736	54,922
Development	3,567	-	3,567
Total 2021	<u>4,448,912</u>	<u>1,041,558</u>	<u>5,490,470</u>

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

4. Income from charitable activities (continued)

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Bryon, Manor and Lyndhurst Homelessness Services	1,440,355	-	1,440,355
Recovery Services	584,227	285,417	869,644
Fundraising & Volunteering	564,207	139,757	703,964
Move on Housing	162,462	800	163,262
Central	681,651	-	681,651
	3,910	-	3,910
 Total 2020	 <u>3,436,812</u>	 <u>425,974</u>	 <u>3,862,786</u>

Turning Tides Homelessness
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Bryon, Manor and Lyndhurst	1,189,116	-	1,189,116
Homelessness Services	751,262	375,265	1,126,527
Recovery Services	568,688	-	568,688
Fundraising & Volunteering	442,452	-	442,452
Move on Housing	1,000,228	-	1,000,228
Central	509,132	-	509,132
Development	8,427	-	8,427
	<u>4,469,305</u>	<u>375,265</u>	<u>4,844,570</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Bryon and Manor	1,135,578	-	1,135,578
Homelessness Services	575,982	294,800	870,782
Recovery Services	549,359	3,600	552,959
Fundraising & Volunteering	327,583	-	327,583
Move on Housing	664,236	-	664,236
Central	404,748	-	404,748
	<u>3,657,486</u>	<u>298,400</u>	<u>3,955,886</u>

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6. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Bryon, Manor and Lyndhurst	1,127,811	61,305	1,189,116
Homelessness Services	1,095,875	30,652	1,126,527
Recovery Services	527,305	41,383	568,688
Fundraising & Volunteering	423,456	18,996	442,452
Move on Housing	1,000,228	-	1,000,228
Central	508,206	926	509,132
Development	8,427	-	8,427
	<u>4,691,308</u>	<u>153,262</u>	<u>4,844,570</u>

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Bryon and Manor	1,086,016	49,562	1,135,578
Homelessness Services	846,002	24,780	870,782
Recovery Services	519,503	33,456	552,959
Fundraising & Volunteering	312,226	15,357	327,583
Move on Housing	664,236	-	664,236
Central	403,998	750	404,748
	<u>3,831,981</u>	<u>123,905</u>	<u>3,955,886</u>

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Bryon, Manor and Lyndhurst 2021 £	Homelessness Services 2021 £	Recovery Services 2021 £	Fundraising & Volunteering 2021 £	Move on Housing 2021 £
Staff costs	783,397	882,840	342,372	299,534	350,044
Depreciation	99,839	3,959	10,500	2,763	68,177
Establishment	185,154	93,180	102,138	72,461	468,208
Other	58,607	112,444	71,943	48,328	113,726
Other staff costs	814	3,452	352	370	73
	<u>1,127,811</u>	<u>1,095,875</u>	<u>527,305</u>	<u>423,456</u>	<u>1,000,228</u>

	Central 2021 £	Development 2021 £	Total funds 2021 £
Staff costs	499,633	-	3,157,820
Depreciation	8,059	-	193,297
Establishment	-	-	921,141
Other	514	8,427	413,989
Other staff costs	-	-	5,061
	<u>508,206</u>	<u>8,427</u>	<u>4,691,308</u>

	Bryon and Manor 2020 £	Homelessness Services 2020 £	Recovery Services 2020 £	Fundraising & Volunteering 2020 £	Retail & Donations 2020 £
Staff costs	744,948	704,441	351,396	224,855	197,629
Depreciation	103,591	3,959	10,500	3,356	63,552
Establishment	142,132	55,951	80,650	60,967	337,038
Other	94,762	71,759	76,729	18,797	65,972
Other staff costs	583	9,892	228	4,251	45
	<u>1,086,016</u>	<u>846,002</u>	<u>519,503</u>	<u>312,226</u>	<u>664,236</u>

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Move on Housing 2020 £	Central 2020 £	Total funds 2020 £
Staff costs	399,007	-	2,622,276
Depreciation	4,498	-	189,456
Establishment	-	-	676,738
Other	493	-	328,512
Other staff costs	-	-	14,999
	<u>403,998</u>	<u>-</u>	<u>3,831,981</u>

Analysis of support costs

	Bryon, Manor and Lyndhurst 2021 £	Homelessness Services 2021 £	Recovery Services 2021 £	Fundraising & Volunteering 2021 £
Other	56,500	28,249	38,139	17,507
Governance	4,805	2,403	3,244	1,489
	<u>61,305</u>	<u>30,652</u>	<u>41,383</u>	<u>18,996</u>

	Central 2021 £	Total funds 2021 £
Other	854	141,249
Governance	72	12,013
	<u>926</u>	<u>153,262</u>

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6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Bryon and Manor 2020 £	Homelessness Services 2020 £	Recovery Services 2020 £	Fundraising & Volunteering 2020 £
Other	45,108	22,553	30,448	13,910
Governance	4,454	2,227	3,008	1,447
	<u>49,562</u>	<u>24,780</u>	<u>33,456</u>	<u>15,357</u>

	Central 2020 £	Total funds 2020 £
Other	750	112,769
Governance	-	11,136
	<u>750</u>	<u>123,905</u>

7. Net income/(expenditure)

	2021 £	2020 £
This is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	193,298	179,854
	<u>193,298</u>	<u>179,854</u>

8. Auditors' remuneration

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	10,800	10,080
	<u>10,800</u>	<u>10,080</u>

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9. Staff costs

	2021	2020
	£	£
Wages and salaries	2,862,872	2,373,336
Social security costs	231,960	192,537
Other pension costs	62,988	56,403
	<u>3,157,820</u>	<u>2,622,276</u>

The average number of persons employed by the charity during the year was as follows:

	2021	2020
	No.	No.
Total	<u>134</u>	<u>109</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	1

Remuneration and benefits received by key management personnel amounted to £113,907 (2020-£112,909).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

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11. Tangible fixed assets

	Freehold property £	Lease premium £	Motor vehicles £	Building improvements to Leasehold buildings £	Total £
Cost or valuation					
At 1 April 2020	5,625,471	-	31,416	256,703	5,913,590
Additions	727,074	210,000	66,997	-	1,004,071
Impairment of assets	(57,074)	-	-	-	(57,074)
At 31 March 2021	<u>6,295,471</u>	<u>210,000</u>	<u>98,413</u>	<u>256,703</u>	<u>6,860,587</u>
Depreciation					
At 1 April 2020	967,161	-	16,945	170,566	1,154,672
Charge for the year	96,339	-	10,822	86,137	193,298
At 31 March 2021	<u>1,063,500</u>	<u>-</u>	<u>27,767</u>	<u>256,703</u>	<u>1,347,970</u>
Net book value					
At 31 March 2021	<u>5,231,971</u>	<u>210,000</u>	<u>70,646</u>	<u>-</u>	<u>5,512,617</u>
At 31 March 2020	<u>4,658,310</u>	<u>-</u>	<u>14,471</u>	<u>86,137</u>	<u>4,758,918</u>

Included within Freehold Property are a number of properties with a net book value of £2,430,459 (2020: £1,823,285) for which there are legal charges in place and as a result the assets have restricted title.

12. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	122,404	178,038
Other debtors	2,500	2,606
Prepayments and accrued income	76,491	93,505
	<u>201,395</u>	<u>274,149</u>

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13. Current asset investments

	2021	2020
	£	£
Listed investments	128	128

The market value of the listed investments at 31 March 2021 was £128.

14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	22,943	21,767
Trade creditors	99,441	30,695
Other creditors	12,000	22,163
Accruals and deferred income	119,058	179,187
	253,442	253,812

	2021	2020
	£	£
Deferred income		
Deferred income at 1 April	160,887	108,284
Resources deferred during the year	313,085	647,280
Amounts released from previous periods	(390,997)	(594,677)
Deferred income as at 31 March	82,975	160,887

Deferred income arises from grants received in the financial year that also relate to subsequent financial years.

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15. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	93,936	118,055

Included within the above are amounts falling due as follows:

Between two and five years

Bank loans	91,770	87,067
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Over five years

Bank loans	2,166	30,988
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The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021	2020
	£	£
Payable or repayable by instalments	2,166	30,988
	2,166	30,988

The bank loan is a commercial mortgage. The commercial mortgage is secured by way of a fixed legal charge dated 22 September 2006 over the freehold property known as 14-16 Selden Road, Worthing, West Sussex, BN11 2LL. This bank loan is repayable over a 20 year term at an interest rate 1.25% above base rate.

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Notes to the financial statements
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16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Designated Funds - West Hill, East Grinstead	185,073	-	-	(37,200)	147,873
Designated Fund - PRS and Personalisation budget 19/20	11,387	-	(700)	-	10,687
	<u>196,460</u>	<u>-</u>	<u>(700)</u>	<u>(37,200)</u>	<u>158,560</u>
General funds					
General Funds	4,348,388	5,007,897	(4,468,605)	37,200	4,924,880
Other general funds	186,000	-	-	-	186,000
	<u>4,534,388</u>	<u>5,007,897</u>	<u>(4,468,605)</u>	<u>37,200</u>	<u>5,110,880</u>
Total Unrestricted funds	<u>4,730,848</u>	<u>5,007,897</u>	<u>(4,469,305)</u>	<u>-</u>	<u>5,269,440</u>

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Notes to the financial statements
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16. Statement of funds (continued)

Restricted funds

WSCC PHE Capital Funding Scheme	480,000	675,000	-	-	1,155,000
YMCA	120,000	-	-	-	120,000
Meam	-	66,788	(66,788)	-	-
Worthing Borough Council	48,000	-	-	-	48,000
Adur Furniture Network	154,387	-	-	-	154,387
The Big Lottery funding	-	294,770	(294,770)	-	-
Dr Chesters Charity	800	800	(800)	-	800
Compass bus grant	750	-	(750)	-	-
Pier Window	655	-	(655)	-	-
Ravenscourt	136,157	-	(11,502)	-	124,655
Albert Hunt Trust	-	5,000	-	-	5,000
	<u>940,749</u>	<u>1,042,358</u>	<u>(375,265)</u>	<u>-</u>	<u>1,607,842</u>
Total of funds	<u><u>5,671,597</u></u>	<u><u>6,050,255</u></u>	<u><u>(4,844,570)</u></u>	<u><u>-</u></u>	<u><u>6,877,282</u></u>

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Notes to the financial statements
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16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
Designated funds						
Designated Funds - West Hill, East Grinstead	217,282	-	(32,209)	-	-	185,073
Designated Fund - PRS and Personalisation budget 19/20	16,437	-	-	(5,050)	-	11,387
	<u>233,719</u>	<u>-</u>	<u>(32,209)</u>	<u>(5,050)</u>	<u>-</u>	<u>196,460</u>
General funds						
General Funds	4,257,840	3,711,121	(3,625,277)	5,050	(346)	4,348,388
Other general funds	186,000	-	-	-	-	186,000
	<u>4,443,840</u>	<u>3,711,121</u>	<u>(3,625,277)</u>	<u>5,050</u>	<u>(346)</u>	<u>4,534,388</u>
Total Unrestricted funds	<u>4,677,559</u>	<u>3,711,121</u>	<u>(3,657,486)</u>	<u>-</u>	<u>(346)</u>	<u>4,730,848</u>

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16. Statement of funds (continued)

Restricted funds

WSCC PHE Capital Funding Scheme	480,000	-	-	-	-	480,000
YMCA	120,000	-	-	-	-	120,000
Meam	7,651	67,950	(75,601)	-	-	-
Worthing Borough Council	48,000	-	-	-	-	48,000
Adur Furniture Network	154,387	-	-	-	-	154,387
The Big Lottery funding	-	186,655	(186,655)	-	-	-
Dr Chesters Charity	700	800	(700)	-	-	800
Compass bus grant	-	750	-	-	-	750
Pier Window	-	655	-	-	-	655
Ravenscourt	-	139,757	(3,600)	-	-	136,157
Tampon tax fund	-	31,844	(31,844)	-	-	-
	<u>810,738</u>	<u>428,411</u>	<u>(298,400)</u>	<u>-</u>	<u>-</u>	<u>940,749</u>
Total of funds	<u><u>5,488,297</u></u>	<u><u>4,139,532</u></u>	<u><u>(3,955,886)</u></u>	<u><u>-</u></u>	<u><u>(346)</u></u>	<u><u>5,671,597</u></u>

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Designated Funds

West Hill

Following the acquisition of the Richard Housing Association the charity has decided to designate the value of cash held and the investments at the date of transfer, together with an amount equal to the Social Housing Grant, for the use in relation to West Hill, East Grinstead.

PRS and Personalisation Budget

Funding relating to Private Rented Sector and Personalisation retained for the continuation of our work in these areas.

Other general funds

This amount relates to the value of the Social Housing Grant that would be payable should the charity decide to sell the property at West Hill, East Grinstead.

Restricted funds

WSSCC PHE Capital Funding Scheme

West Sussex County Council Public Health England Capital Funding - To assist in the purchase of properties in Littlehampton and Horsham for clients to live in a shared abstinence based environment.

YMCA Downslink Group

Provision of capital funding for the conversion of a property to shared accommodation.

MEAM

Funding from Sussex Police, WSSCC, WBC and Sussex Partnership NHS to improve policy and services for people facing multiple needs.

Masonic Charitable Foundation

Funding for a Community Inclusion Lead.

Henry Smith Charity

To provide funding for a Substance Misuse Social Work Co-ordinator at the Recovery project.

The Big Lottery fund

Funding has been received for the Reaching Communities programme at St Clare's community Hub and for funding the Littlehampton Community Hub.

Worthing Borough Council

Empty Homes Grant Funding – To assist with the refurbishment of a property in Worthing for clients to live in shared accommodation.

Adur Furniture Network

The Adur Furniture Network Fund shall be used by the charity to support low income Adur residents to sustain their independence and ensure suitable housing.

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Dr Chester's Charity

The Trustees shall apply the income of the charity in relieving either generally or individually persons resident in the Borough Of Worthing who are in conditions of need, hardship or distress by making grants of money or providing or paying for items, services or facilities calculated to reduce the need, hardship or distress of such persons.

Compass bus grant

A fund to enable client travel.

Pier Window fund

To commission a window design on Worthing pier.

Ravenscourt

To enable group working within the Worthing Recovery Project through the refurbishment of a group working space and the employment of a dedicated Group Worker

Tampon Tax Fund

In partnership with Brighton Women's Centre and Safe in Sussex, a one year grant from The Tampon Tax Fund enabled more focused and much needed work with women, helping them to move beyond trauma and build safe lives.

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	4,194,617	1,318,000	5,512,617
Current assets	1,422,201	289,842	1,712,043
Creditors due within one year	(253,442)	-	(253,442)
Creditors due in more than one year	(93,936)	-	(93,936)
Total	5,269,440	1,607,842	6,877,282

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	4,110,918	648,000	4,758,918
Current assets	991,797	292,749	1,284,546
Creditors due within one year	(253,812)	-	(253,812)
Creditors due in more than one year	(118,055)	-	(118,055)
Total	4,730,848	940,749	5,671,597

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18. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	<u>1,205,685</u>	<u>183,300</u>
Adjustments for:		
Depreciation charges	193,298	189,456
Loss on investments	-	345
Interest from investments	(906)	(2,206)
Loss on the sale of fixed assets	-	4,743
Impairment of properties	57,074	-
Decrease/(increase) in debtors	72,754	(22,983)
Increase/(decrease) in creditors	(1,546)	42,059
Donation in kind	(675,000)	-
Net cash provided by operating activities	<u><u>851,359</u></u>	<u><u>394,714</u></u>

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	<u>1,510,520</u>	<u>1,010,269</u>
Total cash and cash equivalents	<u><u>1,510,520</u></u>	<u><u>1,010,269</u></u>

20. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,010,269	500,251	1,510,520
Debt due within 1 year	(21,767)	(1,176)	(22,943)
Debt due after 1 year	(118,055)	24,119	(93,936)
Liquid investments	128	-	128
	<u>870,575</u>	<u>523,194</u>	<u>1,393,769</u>

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21. Operating lease commitments

At 31 March 2021 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	79,071	120,375
Later than 1 year and not later than 5 years	122,461	201,532
	<u>201,532</u>	<u>321,907</u>

22. Related party transactions

John Holmstrom is a Director/Trustee in YMCA Downslink Group. In 2016 the charity received a grant from YMCA Downslink Group of £120,000 for use in the redevelopment of 13 Grafton Road. As part of the grant conditions a lease was agreed between Turning Tides and YMCA Downslink Group for the property. During the year Turning Tides received £39,000 in rental income from YMCA Downslink Group (2020: £39,000) and paid £39,000 in rent to YMCA Downslink Group (2020: £39,000). There are no amounts due to or from YMCA Downslink Group at the balance sheet date.

23. Post balance sheet events

During the post year end period, the charity were advised that the lease premium of £210,000 (see note 11) would have to be reviewed as a result of the landlord breaching a pre-existing grant condition. The lease will be surrendered and replaced with a management agreement between two parties for the charity to manage the property for a period of up to 40 years.