

Annual Report and Financial Statements

1 April 2019 - 31 March 2020



Thames Reach Charity: charity number 1166311, company number 10098652

Thames Reach Housing: charity number 1188800, company number 11462686

Thames Reach Charity

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TRUSTEES ANNUAL REPORT

Strategic Report

Objectives and Activities

Our Vision

The vision of the organisation is to end street homelessness.

Our Mission

The organisation's mission is to assist homeless and vulnerable men and women to find decent homes, build supportive relationships and lead fulfilling lives.

Statement of Purpose

Thames Reach supports homeless and formerly homeless people and others who, although they have not been homeless in the past, require assistance and interventions to sustain themselves in accommodation and to improve the quality of their lives. The organisation specialises in helping people with complex and multiple problems, including those associated with poor health and substance misuse. It manages a range of services, including street outreach, emergency hostels, day services, specialist supported housing for people with substance misuse and mental health problems, tenancy support services, health initiatives and a range of employment, training and education schemes and programmes.

Prevention and Partnerships

Thames Reach's intervention services, such as street outreach, hostels and drop-in advice services are at the heart of the organisation, effectively ameliorating rough sleeping by directly assisting people to move, and remain, off the street. Thames Reach also offers a range of services, including tenancy support, geared around prevention: that is, helping people to sustain accommodation and develop new skills so they can avoid drifting into a downward spiral of homelessness characterised by destructive moves into poorer and less stable accommodation.

Thames Reach works to achieve its vision of ending street homelessness through effective partnerships and actively addresses unmet need. We seek collaborative ways of working with, amongst others, voluntary sector organisations, central and local government, the business sector, the police, ambulance services and the fire brigade, GPs and other health specialists, supportive individuals and local communities.

Ethos and Values

Thames Reach strives to bring its ethos and values alive so that they are widely understood and inspire and drive the work of the organisation. The following statements of the organisation's ethos and values are discussed at induction sessions for new staff, as well as in workshops and debates

and are a reference point for organisational policies, strategies and the development of new initiatives.

What we do:

Never giving up on people

We believe that the effects of homelessness and social exclusion are a great injustice and that the road to recovery can often be long and painful. We are committed to never giving up on people, no matter how complex, chaotic and challenging they may be.

Highest aspirations, expectations and respect for service users

We are passionate about our belief that people can make real and lasting changes in their lives. We have the highest aspirations, expectations and respect for our service users and will never be indifferent to their individual needs

How we do it:

Staff: compassion, integrity, professionalism and commitment

Thames Reach's staff are characterised by their compassion, integrity, professionalism and commitment. In return, unstinting support will be given to staff making decisions in the best interest of service users, trusting in their ability to work autonomously.

Working together

Everyone at Thames Reach is working to end street homelessness, and all parts of the organisation have important contributions to make. We believe passionately in achieving trust and mutual respect between the different parts of the organisation to accomplish this objective.

Working in partnership with others

Our aims can only be achieved by working in partnership with others; we know we do not have all the solutions. We generously give time, resources and expertise to others if the ultimate outcome gets us closer to achieving our vision and mission.

Open-mindedness

We are renowned for our open-mindedness, creativity, flexibility and refusal to allow rigid, dogmatic approaches to reduce effectiveness or inhibit actions.

We tell it as it is

Our strength lies in knowing what is happening on the ground and we use this knowledge to make an impact at the highest level, especially by giving our service users the chance to speak directly to those with influence and power. We always 'tell it as it is' presenting information and delivering our messages with integrity and honesty.

Thames Reach's service users

Thames Reach works with three distinctive groups of people:

- People who have a long-term relationship with the organisation that involves a needs assessment and a support plan.
- People who seek advice and support around specific issues, which usually requires a brief intervention but not long-term involvement from Thames Reach.
- People assisted as part of a broader engagement with services operating in partnership with Thames Reach.

Thames Reach works with a full range of needs but in terms of our own organisational focus we are committed to supporting people with complex and multiple needs. Where a long-term relationship is appropriate, our approach focuses on providing a personalised service to each individual, with a support plan and an emphasis on recovery and change, using a range of techniques, including the development of Psychologically Informed Environments (PIEs).

Staff

Thames Reach has a highly committed and skilled work force and a clear progression route through the organisation for people who wish to pursue a career working with homeless and excluded people. Many people join Thames Reach as volunteers, trainees and apprentices and move into more senior positions over time. Thames Reach's workforce is distinctive in that 21% of the workforce (73 individuals) are themselves former users of services and, as such, are powerful role models who can inspire others to make progress away from homelessness and social exclusion. Nine staff members completed the Institute of Leadership and Management (ILM) Level 3 award during the year. Three of these staff have subsequently successfully been appointed to Lead Manager roles. We also started a Pathways into Management program to give any staff member with ambition the opportunity to experience management roles. The initial cohort was 12 staff, with 11 completing the programme and one already promoted to a lead manager role.

Services

Thames Reach offers a range of services including supported accommodation to homeless people, those at risk of homelessness and other vulnerable people in need of assistance, particularly those with multiple and complex needs.

Thames Reach is committed to outcome focused services and building new services using the experience of people who have used services.

Volunteers

Thames Reach uses volunteers to support our delivery of services, and in the course of the year about 200 people volunteered with us. Volunteers provide valuable support in a range of different contexts – supporting the delivery of street outreach service for people sleeping rough alongside paid staff; assisting in the production and serving of food, and running activities in our day services; and providing reception support and information, advice and guidance at our Employment Academy. Volunteers come from our service user group as well as the broader community and other members of the public. All volunteers receive induction and supervision and receive appropriate checks (DBS) appropriate to their roles. Towards the end of the year we conducted a review of our support for volunteers and as a result we have recruited a new Volunteer Programme Manager to support the development of consistent organisational approaches to the recruitment, support and development of organisational volunteers.

Background to the Business Plan

2019-20 was the first year of the 2019-2022 Business Plan. This Business Plan was developed in consultation with staff at all levels of the organisation, service users and Board members and sets out the strategic direction of Thames Reach. It established the key objectives the organisation is seeking to achieve as it strives to fulfil its mission and vision. We produce an annual work programme to deliver the Business Plan objectives, agreed by the Board of Trustees and reviewed annually. Responsibility for ensuring that Business Plan objectives are achieved is devolved to the Senior Management Team (SMT) and each department, service and team work-plan contributes towards this goal.

Thames Reach's focus is on developing and providing services that are effective in delivering our mission for people who are or have been street homeless, or are at risk of this. To do this we will work in three areas:

Prevention: We understand that street homelessness is a damaging and disruptive experience with an impact that is lasting and negative to people's health, confidence, employment prospects and relationships. It is important that, where we can, we intervene before people become homeless, or at the very start of becoming homeless, with the aim of providing support that equips them with the resources to continue their lives away from homelessness.

Intervention: Where people are sleeping on the street we will intervene to help them into accommodation and to meet their immediate needs. These needs may be for treatment for poor mental health or a substance misuse problem, and they may also need help with understanding the longer term options available to them.

Recovery: We recognise that the journey away from homelessness is often not a simple one, and may require more than the provision of accommodation. We will work to help people get the support they need to maximise their independence; to improve their health; to build supportive relationships; and to participate in society through sustainable volunteering or work.

Whether new or long-standing, we will measure the effectiveness of our services through their success in contributing to these goals. We will also assess whether services are best delivered by Thames Reach, by other agencies, or through a partnership.

More information on the 2019-22 Business Plan can be found at:

<https://thamesreach.org.uk/about-us/research-reports/business-plan/>

Achievements and Performance

Our activities are disclosed in the financial part of this document under the categories Accommodation, Support, and Pathways to Occupation. This broad categorisation is used for simplicity. The Business Plan speaks more particularly about groupings of Prevention, Intervention and Recovery. Each of these may span all of Accommodation, Support and Pathways.

Delivering the Business Plan: Year 1

Prevention

In the course of the year we have expanded the prevention services we manage, notably with an extension to our commissioned Brent Reach service. This service, which works with tenants in the borough, provides support to prevent tenancy breakdown and to support tenants to live independently. A key feature of the service has been the provision of easily accessible 'brief intervention' support delivered in 'hubs', such as libraries, community centres and other sites accessible to and used by communities in the borough. This has enabled the team to intervene early to resolve issues before they threaten tenancy breakdown.

Alongside this work we have developed the prevention offer provided by our Deptford Reach scheme, as well as advice, practical help and training the scheme provided a valuable point of contact for people who are isolated in the local community.

Another area of development has been the purchase of three houses as shared accommodation. The properties have been used under lease as part of the peer landlord scheme, but the purchase, which was made possible by a loan from a supportive family trust, gives us the security to continue

to develop this aspect of our work, and provides a model for further expansion if suitable investment can be secured.

Our contribution to the Lambeth Living Well Alliance has expanded with the establishment of three Living Well Centres. These centres employ clinical, social care and voluntary sector staff with the aim of providing a comprehensive and accessible early response to mental ill-health, and by doing so, reduce the incidence of crises requiring hospitalisation. Thames Reach provides the voluntary sector element of the staff for two of these centres.

Intervention

Our outreach services have expanded over the year with new services in East Surrey, and an expanded local commissioned service in Newham. In addition, the year saw the formation of the GLA commissioned pan-London Rapid Response Team, which responds to StreetLink referrals of new rough sleepers across much of London, providing a quick response aimed at resolving rough sleeping as early as possible.

Alongside these services working with people on the streets we provided shelter accommodation aimed at rough sleepers who would not otherwise be eligible for accommodation. In addition to the existing scheme in Lambeth, we opened shelters in Newham and Lewisham in the course of the year. We do not see this provision as providing an accommodation option as such, but they do give a safe place in which people can stay for a short time while we complete an assessment and identify a longer term resolution to their homelessness. The Newham and Lewisham schemes were temporary schemes using day centre premises, and both closed in March in response to the need to ensure social distancing.

Recovery

The end of the year saw significant government announcements about the allocation of central government money to provide both additional accommodation for people who have slept rough, and crucially, support to enable them to make a success of their tenancies and to recover and move away from homelessness. While the original programme has since changed in response to the urgent need arising from the pandemic, this is a welcome move, and has the potential to help many more people to recover and move away from homelessness. Our GLA funded Tenancy Sustainment Team has expanded its work to support former rough sleepers who move into private rented accommodation, helping a group who is otherwise at significant risk of tenancy breakdown and a return to the streets. In addition we have purchased an additional two Brokerage and Resettlement in Lambeth ('BRiL') flats which provide secure independent accommodation with support for people moving out of registered care as part of the process of recovery from mental illness.

Organisational enablers to support this work

Ensuring that we are a competitive employer that can recruit, retain and develop the best staff

In autumn 2019 we commissioned an external benchmarking exercise to look at how our salaries compared with our competitors at different levels. On the whole our reward benchmarked very well, but some management grades were behind the market. In response to this we have developed a range of proposals which we hope to negotiate and implement in 2020-21.

In the course of the year we have reviewed our in-house training programme with the aim of ensuring that staff are equipped to carry out their roles and that training is up to date and relevant. We have continued to provide Institute of Leadership and Management Level 3 training for existing managers, and piloted a 'Pathways to Management' programme aimed at support staff considering a move into management roles.

We have also invested in a new HR management system that will be fully implemented in 2020-21.

Messages

As well as using our influence as an organisation to draw attention to how problems with the benefits system can make people homeless and then keep them homeless for longer, how European nationals are more likely to become and to stay homeless, and the links between poor health and homelessness, we have developed regular newsletters to ensure that staff and supporters are kept informed about developments in the organisation and the environment in which we work.

Use of Property

In the course of the year the Employment Academy and our offices in Stockwell have provided a base for service delivery as well providing a financial contribution through rents and charges for room rental.

As outlined above we have increased our portfolio of residential properties owned as part of the Peer Landlord and BRiL projects.

The property sub-committee met in the course of the year to consider options for the possible development of the Deptford Reach project, but the main focus for the year has been on maximising the use of the building (for example basing outreach staff in the building and opening a temporary night shelter), in addition to the day centre.

We continue to progress the development of a registered provider subsidiary which we anticipate will enable us to take on the ownership of the Robertson Street hostel.

Financial resilience

The specific impact of Covid-19 is discussed on page 10. We have continued to develop a range of income streams to maintain financial resilience. Our experience of attracting social investment to deliver on the London Homelessness Social Impact Bond (SIB) has enabled us to attract further loan investment to purchase flats under our BRiL programme (see page 7). We are comfortable with a Payment by Results (PbR) funding model where the outcomes sought align with Thames Reach's own aims and competencies and we hope that there will be further opportunities for a social investment and PbR programme to be initiated, particularly where responses are needed to help people who have multiple needs and are severely disadvantaged.

Our three year non-statutory fundraising strategy has achieved its targets and, in the area of trusts and foundations, considerably exceeded them. We also continue to receive vital and greatly welcomed support from a number of corporate supporters whose workforces, at all levels, enthusiastically back our work to end homelessness.

We have also managed to increase the earned income from the community buildings that we own - the Employment Academy in Camberwell, and Elmfield and Hudson House in Stockwell. Income derived from rents and the use of events and meeting space is used to fund our employment services and initiatives across the organisation.

Supporting staff

Our committed and competent workforce deserve an environment in which people feel valued and supported and where those putting in the most and performing at the highest level are appropriately acknowledged and rewarded. We have developed new ways of communicating with staff including through a regular news bulletin and have a current focus on staff wellbeing.

Our highly acclaimed trainee programme is the entry point for many people seeking employment at Thames Reach and remains extremely popular.

Thames Reach provides tailored support for managers and eight managers completed an Institute of Leadership and Management (ILM) award during the year. It is our third year of the programme, which

brings real value to developing competent and committed managers. Additionally, one member of the leadership team is enrolled on the London Housing Foundation Leadership and Management Programme delivered by London South Bank University.

The expansion of some areas of our work, particularly outreach and other intervention services, has meant that there has been a need to significantly expand our workforce. In response, we have looked at, and continue to look at, our approach to recruiting and developing our staff.

Governance

We have an engaged Board of Trustees. The Board is discussed in more detail below.

Communicating our messages

It is essential that policy makers, commissioners, politicians, the public and the vast range of stakeholders supporting our work are kept abreast of the issues engaging Thames Reach and the challenges facing our service users as they seek to escape homelessness and social exclusion. As we make clear in our ethos and values, we feel obligated to ensure that the messages we impart are accurate and candid and that our service users are actively involved in shaping the message and in speaking to those in positions of power. In short – we seek to tell it as it is.

Thames Reach engages with government, policy makers, other voluntary sector organisations, and the public through a range of groups, meetings and events operating on a local, regional, national and international level. We are represented on the national ministerial Rough Sleeping Advisory panel along with other homelessness charities, political leaders, and experts.

At a regional level we have been active contributors, through Thames Reach's Chief Executive, to the London Mayor's No Nights Sleeping Rough task force as well as the Rough Sleepers Accommodation Programme (RSAP).

We have focused over the year on three core issues that particularly affect the people we work with:

- The way that the benefits system (and particularly recent changes) destabilises vulnerable people - putting them at risk of homelessness, and the way that the same system is not effective in supporting homeless people away from the streets.
- The large numbers of EU rough sleepers on the streets of London and the fact that we have very limited options to help them away from homelessness.
- Homelessness and poor health are closely linked, and these links endure after people move away from the streets. People that we work with often do not get the help that they need from the NHS, and are more likely to use crisis services such as A&E and in-patient psychiatric treatment.

Structure, Governance and Management

Risk Factors

Financial risk assessment procedures have been implemented and are reported to the Finance, Audit and Fundraising committee and the Board on a regular basis. These procedures identify any significant risks and monitor progress and planning in relation to management of these organisational risks.

Risks are evaluated on a matrix of impact and probability. On this basis the biggest risks to Thames Reach at the moment are:

- Contract Risk
- Capacity and use of resources
- Competition

- Public perception and adverse publicity
- Relationship with funders

On this basis the Trustees have been able to delegate responsibility to senior staff to ensure controls are in place to manage them.

The Board reviews major risks to the organisation via the reporting mechanisms established which link the main Board with the three standing committees. It also receives direct reports from the Chief Executive, which are provided at every Board meeting. Detailed systems and procedures have been established to manage and mitigate the risks faced by Thames Reach. These include:

- Financial risk assessments covering risk to funding and issues of compliance which are reported to the Finance, Audit and Fundraising Committee and the Board;
- An effective system of internal audit of individual teams;
- Health and safety reports which are submitted to the Services Committee on a quarterly basis for scrutiny, with a report going to the full Board annually;
- An organisational risk assessment covering all aspects of operations and delivery from which key areas of risk are selected, analysed and focused on by the committees over the year with a view to mitigating risk;
- Reports on performance against service delivery outcome targets which the Board receives after scrutiny by the Services Committee;
- Reports on the progress of actions within the organisational work programme, established to deliver on Business Plan outcomes.

Covid 19

The Covid pandemic became an issue just at the end of the financial year and has continued to be an issue. Thanks to a collaborative approach between Thames Reach and UNISON we have been able to find ways of working with our vulnerable clients at the same time as ensuring that staff and the people they work with are kept safe. We have made purchases of PPE as well as technology to enable safer ways of working.

1) Fundraising

Our ability to fundraise from corporates, individuals and trusts/foundations has been impacted by the effects of the Coronavirus. The advent of the Coronavirus pandemic saw a fairly universal postponement of the traditional funding programmes offered by trusts and foundations. Early on it was hoped that this would be a temporary measure but it is becoming clear now that it will continue for the foreseeable future. One national grant-making body has said that it might have to cancel its traditional/primary funding programmes altogether. Results in the first half of 2020/21 are markedly down against target due to the short-term nature and reduced level of grant awards available and while we have had some successes the expectation is that this level of reduced funding will continue throughout the remainder of the year. However, we have seen no reduction in recurring donations from individuals since 1 April 2020, instead these have increased by around 15%.

2) Safeguarding, use of volunteers and good governance

In the new year (2020/21) there has been an enhanced focus on Health and Safety. Thames Reach has worked with UNISON on developing our "Safer Working Practices" guidelines as well as Staff Guidance. These have been regularly updated and refreshed as the situation develops. Thames Reach has bought the necessary PPE and provided additional cleaning services so that staff are able to work safely. At the height of the pandemic some service user facing services were conducted over video calls. As the situation developed this has been kept under continued review and face-to-face meeting, using the required PPE, have been re-instated where suitable. The Board has been regularly updated with these developments. In order to facilitate remote working Thames Reach purchased laptops to be provided to the staff who had been using desktop machines.

3) Going concern

In the Financial Review section below the overall health of Thames Reach's position is discussed. As part of the Trustees review of the appropriateness of adopting the 'going concern' basis for preparing the annual accounts an analysis of performance during the 2020-21 year to date and a number of projections were performed. The bulk of Thames Reach's operating costs relates to staff costs. Because of this our staff complement is arranged with generic job descriptions that allow redeployment in the case that the service a staff member is in gets decommissioned. Only if redeployment options are not available is redundancy an option. The structure of our staff teams means that most contracts with a period of 2 years or less are staffed on a Fixed Term contract. Trustees maintain a contract tracker to identify services that are contracted for longer than 2 years, meaning that staff are on permanent contracts, for any indication that they will be decommissioned. With the increase in funding to the sector from the MHCLG over the past two years there has been an expansion in vacancies and so redeployment opportunities abound. The exposure of Thames Reach to contract loss is assessed and the lost contribution to core costs as well as redundancy costs are considered. Additionally, working in the homelessness sector has meant that there has been additional funding for us to respond quickly to the initial "Everyone In" campaign that the government instituted to make sure that rough sleeping was eliminated in the lockdown. This was a successful programme and saw the GLA procure a number of hotel spaces for rough sleepers. Subsequently we have been involved, alongside local authorities, in helping many of these people move to more secure housing. In the reviews up to the date of signing these accounts it was thought unlikely that any existing services would be decommissioned. On the basis of these reviews, the Trustees consider it is appropriate for the 'going concern' basis to be adopted in preparing these financial statements.

Financial Review

The Statement of Financial Activities shows total incoming resources of £19,262,475 - a decrease on last year of 3%. It must be noted that last year included the acquisition of the Deptford Reach Assets which were acquired by Thames Reach in the period. The increase in funds related to that transaction was £1,036,297 and this is reflected in the Restricted Funds. When comparing the year excluding that transaction there is an increase of 2% year on year. The Resources expended of £18,309,407 were 0.15% less than last year. In keeping with previous years, 99% of the expenditure was incurred on direct charitable expenditure. Expenditure on fundraising and publicity represents 1% of total income.

During 2019/2020 the key work continued to be sustaining the organisation and continuing to review costs and processes whilst balancing the changing needs of commissioners and maintaining the quality of our current services and responding to new opportunities. We maintained the services at Deptford Reach and are developing the service offer made by this team as well as looking at ways of generating sustainable funding, whether through traditional funding sources or through development of the Speedwell Street site. We have continued to work as a partner in the Lambeth Living Well Alliance and this has been a year of launching the refined service delivery models. We have also continued to develop our programme for housing in Lambeth — Brokerage and Resettlement in Lambeth (BRIL). During the year we also received a 75% loan to purchase three Peer Landlord properties that we had previously let from Commonweal. This loan is secured against the properties and will be repayable in five years at 75% of the value of the properties on that date (see Note 17).

Thames Reach does not own the hostels and flats that it manages, other than the BRIL flats and three Peer Landlord properties. We also own the Employment Academy, the Hudson and Elmfield

site, Deptford Reach's property, and one floor of an office building in Vauxhall. We are working to maximise our use of these buildings to help fund the work of our employment services. We operate a five-year rolling programme of renewal in relation to furniture and equipment.

Thames Reach has maintained its record of financial stability and of maximising the use of its resources on direct charitable expenditure. In order to ensure the ongoing fulfilment of these objectives in the coming years the Board, through the Finance, Audit and Fundraising Committee and the Treasurer, will continue to monitor closely the levels of reserves that are necessary as well as looking at opportunities to maximise the return on Thames Reach properties.

Reserves

The Board of Thames Reach recognises the need to maintain financial stability in order to achieve our strategic intent and carry out the charitable objects of the organisation. The Board therefore considers it prudent to maintain adequate reserves which, in conjunction with appropriate financial controls and risk management systems, will minimise any disruption to our services. The Board continues to review this policy. Unrestricted funds are currently £9,834,555 of which £7,961,636 are designated.

The level of reserves is reviewed annually to ensure they are maintained at an appropriate level. The reserves policy is reviewed regularly by the Finance, Audit and Fundraising Committee to ensure the reserves are maintained at a level adequate for potential risks. Contract and service performance is monitored and in the event that a majority of those proved to be producing deficits and not contributing to core costs it would be necessary to cede those contracts or drastically restructure to move to a position of full cost recovery once more. In order to avoid the risk of illiquidity the Board's policy is to build a general fund of 10% of income, being £1.9 million. This represents the expected costs of restructuring the organisation to a more competitive level. At year end the General Reserve was £1,746,074. More details can be found in Note 15 of the accounts. Given the budget forecasts and strong cash flow, as well as a number of saleable assets available, the Board is comfortable with this number with a view to building towards the target in future years.

	Balance at 31-Mar 2020 £	Balance at 31-Mar 2020 £ '000
Functional Fixed Assets		
Reserve		6,436
Office leases	28,261	
Sinking Fund	414,403	
Staff	314,342	
IT and infrastructure	120,207	
Vital Regeneration	246,631	
Deptford Reach building fund	18,343	
New Business Development	510,000	
Designated Reserves		1,652
General Reserves		1,746
Total Unrestricted Reserves		9,834

Funds are designated by the Board for particular use out of Unrestricted Reserves. Unrestricted Reserves are determined by removing the funds attributable to functional fixed assets, being those assets necessary for the charity to deliver its activities. All of Thames Reach's fixed assets are considered to be in the category of Functional Fixed Assets. Of the remaining funds there are six such designations:

Office Leases - This fund is to provide for office relocation and set up. We currently have leased office premises in Hackney and Lambeth. The fund balance is £28k. The rental agreements are on a rolling monthly basis and this fund will be utilised on termination.

Sinking Fund - This fund is for major repairs to the fabric of buildings we own: Thames Reach Employment Academy, Elmfield and Hudson House. It is currently £414k. There are five year plans in place for these funds to be utilised.

Staff - This £314k is set aside for non-budgeted costs required to meet contractual obligations such as maternity/parental leave and redundancy. It also contains a £93k refund from HMRC received in the previous financial year. Thames Reach is currently in discussions with the Union regarding a proposal to amend the way staff salaries progress, this fund is to be used for additional costs arising from the changes. Part of the pay proposal was effective from October 2020, with the rest to follow in the 2020/21 financial year.

IT and Infrastructure - This fund allows us to meet the changing needs of the organisation. This year we upgraded our website and have started work on how to develop a new form of intranet. We have also started the work to upgrade the HR software which we hope to complete in 2020. The current level of the fund is £120k. In 2021 this is to be spent on a lone working system and the migration to Office365.

Vital Regeneration - Thames Reach has taken over the subsidiary and this £246k represents the funds designated to continue to work to design and deliver innovative, sustainable programmes that enable individuals and communities to fulfil their potential through learning, employment and enterprise. This is expected to occur in 2021.

Deptford Reach Building fund - this £18k was received as part of the acquisition of Deptford Reach. It is an amount from the COIF General Account (a charity high interest saving account) and has been designated as the building fund for the future maintenance of the property on Speedwell Street.

New Business Development - This fund is intended to support the development of pilot projects that will enable us to test new approaches to service delivery, and/or work with new commissioning authorities. The intention is to invest £170,000 over the duration of the current business plan (Thames Reach Business Plan 2019-22).

Analysis of Assets

Note 16 sets out an analysis of the assets and liabilities attributable to the various funds. These assets are sufficient to meet the organisation's obligations on a fund-by-fund basis.

Other Annual and Strategic Report requirements

Public Benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The trustees believe there is a clear public benefit derived from the activities of the Charity in their work assisting homeless and vulnerable individuals to find decent homes, build supportive relationships and lead fulfilling lives.

Directors Report

Reference and Administrative Details of the Charity, its Trustees and Advisers

Thames Reach Charity, operating as Thames Reach, is a charity registered in England and Wales number 1166311 and a company limited by guarantee number 10098652.

Our principal address and registered office is: Employment Academy, 29 Peckham Road, London, SE5 8UA.

The Senior Management Team (SMT) consists of:

- Bill Tidnam, Chief Executive
- Paul Jackson, Director of Finance and Central Services
- Catherine Parsons, Director of Operations

Trustees 2019/2020

Trustees who served during this year are listed below. None of the Trustees has any beneficial interest in the organisation. No non-executive Board member claimed expenses and no Non-Executive Trustees were remunerated for their work on the Board.

Stephen Howard (Chair)

Vasim Ul Haq (Vice Chair and Treasurer)

Peter Davey

William Flenley QC

Tony McBrearty

Joanna Wade (Resigned April 2020)

Michael Scorer

Caroline Tulloch (Resigned April 2020)

David Ford

Elizabeth Clowes

Becca Taber

Bill Tidnam* (Chief Executive and Company Secretary)

*Executive Salaries

Bill Tidnam, Chief Executive £115,627

Members of the Senior Management Team did not accept the cost of living increase awarded to staff in 2019-20. The ratio between the Chief Executive salary and Thames Reach trainees and

apprentices is 5:1. Senior salaries (members of the organisation's Senior Management and Leadership Teams) are benchmarked against similar roles in competitor charities at the point of recruitment, with this process overseen by the Governance sub-committee.

Bankers and Auditor

Bankers: National Westminster Bank plc
Lambeth North Branch
PO Box 7929
91 Westminster Bridge Road
London SE1 7ZB

Barclays Bank plc
PO Box 35721
London E14 4WA

Auditor: Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Structure, Governance and Management

Board processes

Thames Reach's process for selecting new Board members is detailed in its Board renewal strategy. Thames Reach chooses to use open and transparent recruitment practices for new Board members, which includes externally advertising positions on the Board. New Board members undertake an induction - including visits to a range of Thames Reach projects - which gives them the opportunity to meet staff and service users. The Board appraises its performance as a group and, additionally, individual members are appraised by the Chair of the Board. The Chair is appraised annually by the Governance committee who have responsibility for ensuring that the Chair is accountable to the Board. The Board will also undertake the occasional appraisal by an external consultant. Thames Reach's appraisal processes are set out in the Board appraisal strategy.

In the course of the year 2019-20, we started a process of external recruitment to recruit a number of new board members following the anticipated resignations of Joanna Wade and Caroline Tulloch. We take this opportunity to thank Joanna and Caroline for the years of service they provided to the Governance and FAF committees respectively as well as their contributions to the Board as a whole. Subsequent to losing their skillsets we identified the need to strengthen the board in the areas of Human Resource Management as well seeking a qualified accountant to join our Finance, Audit and Fundraising sub-committee. In addition a need to bolster the Board with someone who had expertise in organisational communications. While this process was delayed by the pandemic we received an excellent response and appointed new members who begin their terms of office in 2020-21.

New trustees receive a full role induction including written role descriptions, comprehensive organisational information and past Board and sub-committee papers as well as meetings with senior staff and visits to central services and service delivery projects. The process of induction is supervised by the Chair, supported by the Chief Executive.

The Board strives to ensure that its membership reflects wider society and is diverse in both profile and encapsulated in Thames Reach's Policy Statement on Equality and Diversity (see page 19).

Charity Governance Code

The Board monitors compliance with the Charity Good Governance Code. The Board continues to progressively refresh the Board and conduct Board appraisals. Board members are fully appraised in a 360 degree appraisal every three years. During the year several Board members were appraised and it was agreed they will continue to serve as Board members despite in some instances exceeding nine years total service.

The Board membership is currently 13 (with 3 new Board Members added subsequent to year end: Olukemi Jeboda, Louise E Wilson and Simon Rawson), but it is not limited to this number as there have been instances in the past, when, post-merger or transfer of undertakings it has been of benefit to have a larger number for a period of time.

The Board has agreed to adopt the Nolan principles: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

The Governance Committee hold the Board to account in line with the Conflict of Interests Policy.

The Governance Committee receives an annual Human Resources Report which monitors the diversity of staff, the leadership team and the Board. This is also reported annually to the full Board.

The Work of the Board

Sir Ken Olisa OBE continues as the Honorary President of Thames Reach. Our Chair, Stephen Howard, took up office in October 2016 and is assisted by Vasim Ul Haq, the vice-chair. The role of the Board is to provide clear strategic direction and effective risk management to enable the organisation to achieve its vision of ending street homelessness in partnership with other organisations, individuals and groups, and its mission of helping homeless people to find decent homes, develop supportive relationships and to live fulfilling lives.

There were five Trustee Board meetings during the year and all meetings were quorate. Additionally, Board members and the Senior Management Team (SMT) spent a planning day together to better understand the environment in which we work, and the government's Rough Sleeping Strategy. The meeting also informed the development of the new (2019-22) Business Plan.

The Work of the Committees

All three committees of the Board, as detailed below, met regularly throughout the year. All meetings were quorate.

The committee chairs referred up to the full Board all issues and matters requiring the attention of the full Board and each chair provided a summary report at Board meetings throughout the year.

Finance, Audit and Fundraising Committee

The committee met on three occasions during the year and was chaired by Caroline Tulloch until November and then Vasim Ul Haq. The other Board members on the committee were Bill Tidnam and Stephen Howard.

The principal duty of the committee is to provide a strategic overview of the financial position of the organisation by examining budgets and making recommendations, approving the end-of-year accounts and considering the financial risk factors to the organisation.

During the year, the committee scrutinised the quarterly accounts, quarterly fundraising reports, approved the final accounts and annual report and recommended the annual budget. The committee routinely scrutinises the financial risk analysis before it reaches the full Board. The committee also gave particular attention to voids, arrears and bad debt issues in Thames Reach's accommodation projects and the non-statutory fundraising strategy and plan.

Services Committee

The committee met on four occasions during the year and was chaired by Michael Scorer. Other Board members on the committee were David Ford, Elizabeth Clowes, William Flenley and Bill Tidnam.

The committee's role is to ensure that the standards and performance of services delivered to homeless and vulnerable people remain high and that services continue to develop and improve coherently and effectively. During the year the committee focused on:

- Improving reporting on the performance indicators and outcomes that Thames Reach uses to assess progress in delivering its vision and mission;
- Service user engagement —the service user survey was undertaken this year, 94% of respondents were 'satisfied' or 'very satisfied' with the service provided by Thames Reach;
- Scrutinising the results of internal audits of services;
- Reviewing how effectively Thames Reach deals with complaints.

Governance Committee

The committee met on three occasions during the year and was chaired by Joanna Wade. The other Board members were Peter Davey, Tony McBrearty, Becca Taber and Bill Tidnam.

The committee's primary responsibilities include overseeing the renewal of Thames Reach's Board, including the recruitment of new Board members, making arrangements for the appraisal of the Chief Executive and overseeing the appraisal of the Board's performance. The committee is also responsible for reviewing the remuneration of the Chief Executive and other senior staff at Director-level or above and making recommendations on HR-related issues following scrutiny of the annual HR report.

During the year the committee focused on:

- Reviewing the annual Human Resources (HR) report and making recommendations to the Board on issues arising from it;
- Recruitment of new Board members;
- Reviewing the annual Health and Safety report and making recommendations to the Board on issues arising from it;
- Overseeing changes required by the Charity Code of Governance;
- Succession planning.

Fundraising

Thames Reach has no fundraising activity requiring disclosure under S162A of the Charities Act 2011.

The Thames Reach Group

The Thames Reach Group consists of Thames Reach Charity and Thames Reach Housing. A previous subsidiary, Vital Regeneration, was wound up in April 2019 and transferred all assets and liabilities to Thames Reach Charity. Thames Reach Housing is a registered Charity with a view to

being a Registered Social Landlord. During the year Thames Reach Housing did not have any transactions. The Group figures in these financial accounts represent the combination of results from Thames Reach Charity and Vital Regeneration. There was a final consolidating entry when Vital Regeneration was deregistered. This decreased the Group income by £195,537.

Objectives and Activities

Objectives

The objects of the Charity shall be 'to carry on for the benefit of the community the business of providing housing, accommodation and assistance to help house people and associated facilities and amenities for poor people'.

Statement of Purpose

Thames Reach supports homeless and formerly homeless people and others who, although they have not been homeless in the past, require assistance and interventions to sustain themselves in accommodation and to improve the quality of their lives. The organisation specialises in helping people with complex and multiple problems, including those associated with poor mental health and substance misuse. It manages a range of services, including street outreach, frontline hostels, day services, specialist supported housing for people with substance misuse and mental health problems, tenancy support services, health initiatives and a range of employment, training and education schemes and programmes.

Health and Safety and Wellbeing

It is Thames Reach's policy to energetically fulfil its responsibility to maintain a healthy and safe working environment for all its employees, volunteers, visitors and service users, and to ensure that all that is reasonable and practical is done to reduce and manage risks. Thames Reach's Board has a responsibility to ensure this policy is implemented in a rigorous manner and is committed to continuous improvement in health and safety performance. Performance is monitored through annual reports to the Board and regular reports to the Services Committee. The Chair of the Services Committee was the formally designated Health and Safety Officer.

As a member of the British Safety Council, Thames Reach is kept up-to-date with changes in legislation and good practice. Thames Reach has implemented its health and safety strategy which aims to achieve further reductions in workplace accidents and ill health and also seeks to increase service user involvement and promote wellbeing, and commits the organisation to reviewing all its existing policies and procedures associated with health and safety on a regular basis.

Encouragement to address health, wellbeing and work-life balance is embedded through team work-plans and from information sheets circulated to staff. All local health and safety representatives across the organisation are supported to acquire a Foundation Certificate in Health and Safety. Managers are required to attain a local authority approved Certificate in Supervising Health and Safety. Our new e-learning means all staff can access health and safety information on a more regular basis.

Operationally, we have again responded positively to commissioners who have required detailed reporting of incidents. We also report serious incidents to the Charity Commission.

Covid-19

The impact of Covid-19 since the end of the financial year is detailed in the Strategic Report above.

Plans for future developments

Details of future plans are included in the Strategic Report above.

Statement of the Board's Responsibilities

Regulations require the Board to prepare accounts for each financial year which give a true and fair view of the organisation's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going-concern basis unless it is inappropriate to presume that the organisation will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the organisation's transactions and which disclose with reasonable accuracy at any time the financial position of the organisation and to enable it to ensure that the accounts comply with the Section 151 of the Charities Act 2011 and the Companies Act 2006. It is also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Financial risk management

Details of risks and the approach taken to mitigation are detailed in the Strategic Report above.

Policy Statement on Equality and Diversity

Thames Reach is committed to equality of opportunity and the encouragement and celebration of diversity. This means that in the provision of services and employment of staff and volunteers to provide these services, the organisation aims to ensure that no one is unfairly discriminated against because of their race, gender, age, disability, sexuality, social standing, religious beliefs, refugee status, ethnic or national origin, marital status, or because of responsibility for dependents.

As well as recognising a duty to promote equality of opportunity for staff, service users and others associated with the organisation, Thames Reach regards the diversity of these groups as an organisational strength to be valued and nurtured.

Gender Pay Gap

We are required to report on our Gender Pay Gap. This year, our data shows that our mean gender pay gap was -4.1% (previously -1.89%). This means that, on average, women are paid slightly more than men across the organisation. However, we are happy that this pay gap is very minimal, and indicates that in general employees are paid equitably, regardless of gender.


Further Information

More information about Thames Reach can be found on our website at www.thamesreach.org.uk
Follow Thames Reach on Twitter @ThamesReach

Auditor

During the year Crowe were appointed by the Trustees in accordance with section 485 of Companies Act 2006.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 20 November 2020 including in their capacity as company directors approving the Directors' and Strategic Reports contained therein, and is signed as authorised on its behalf by the Secretary.

A handwritten signature in black ink, appearing to read 'Bill Tidnam', with a stylized, cursive script.

Bill Tidnam

Secretary and Chief Executive

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THAMES REACH CHARITY

Opinion

We have audited the financial statements of Thames Reach for the year ended 31 March 2020 which comprise Consolidated Statement of Financial Activities, Consolidated and Parent Balance Sheet, Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

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

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Directors' report included within the Trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

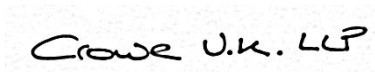
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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



Crowe U.K. LLP

Statutory Auditor

London

Date: 21st January 2021

Thames Reach Charity

Consolidated Statement of financial activities for the year ended 31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 restated £
		Group	Group	Group	Group
Income					
Income from charitable activities					
Accommodation services	3	7,934,210	-	7,934,210	8,107,755
Support activities	4	6,324,517	3,101,017	9,425,534	9,583,138
Pathways to occupation	5	1,636,830	252,488	1,889,318	1,194,229
Deptford Reach merger		-	-	-	1,036,297
Investment income		11,830	1,583	13,413	7,452
Total income		15,907,387	3,355,088	19,262,475	19,928,871
Expenditure					
Cost of raising funds		189,916	35,819	225,735	156,463
Charitable activities		15,003,109	3,080,563	18,083,672	18,179,937
Total expenditure	6	15,193,025	3,116,382	18,309,407	18,336,400
Net incoming/(outgoing) resources before transfers		714,362	238,706	953,068	1,592,471
Transfers between funds	15			-	-
Net movement in funds		714,362	238,706	953,068	1,592,471
Fund balances at 1 April 2019		9,120,193	6,587,615	15,707,808	14,115,337
Fund balances at 31 March 2020		9,834,555	6,826,321	16,660,876	15,707,808

The notes on pages 27 to 41 form part of these accounts.

None of the activities of the organisation were acquired or discontinued during the above year.
The organisation has no recognised gains or losses other than dealt with above.

Thames Reach Charity

Consolidated Balance sheet at 31 March 2020

	Notes	Group		Charity	
		2020 £	2019 restated £	2020 £	2019 restated £
Non-current Assets					
Tangible assets	10	13,479,769	12,146,339	13,479,769	12,146,339
		<u>13,479,769</u>	<u>12,146,339</u>	<u>13,479,769</u>	<u>12,146,339</u>
Current assets					
Debtors	11	2,798,813	4,533,948	2,803,813	4,297,169
Cash at bank and in hand		5,204,040	3,886,101	5,199,040	3,868,263
		<u>8,002,853</u>	<u>8,420,049</u>	<u>8,002,853</u>	<u>8,165,432</u>
Creditors: amounts falling due within one year	12	(3,998,059)	(4,858,580)	(3,998,059)	(4,847,900)
Net current assets		<u>4,004,794</u>	<u>3,561,469</u>	<u>4,004,794</u>	<u>3,317,532</u>
Non current liabilities		<u>(823,687)</u>		<u>(823,687)</u>	
Total assets less total liabilities, being net asset	16	<u>16,660,876</u>	<u>15,707,808</u>	<u>16,660,876</u>	<u>15,463,871</u>
Funds					
Restricted funds	14	6,826,321	6,587,615	6,826,321	6,535,412
Unrestricted funds:					
Designated funds	15	8,088,481	6,239,759	8,088,481	6,239,759
General funds		1,746,074	2,880,434	1,746,074	2,688,700
		<u>9,834,555</u>	<u>9,120,193</u>	<u>9,834,555</u>	<u>8,928,459</u>
Total Restricted and Unrestricted funds		<u>16,660,876</u>	<u>15,707,808</u>	<u>16,660,876</u>	<u>15,463,871</u>

The net movement in funds for the parent only entity was £1,097,005 (2019: £1,821,103)

These financial statements were approved by the Board on 20 November 2020 and authorised for issue and were signed on its behalf by:

The notes on pages 27 to 41 form part of these accounts.



S. Howard
Chair



V. Haq
Treasurer

Thames Reach Charity

Consolidated Cash flow statement for the year ended 31 March 2020

	Notes	Group	
		2020 £	2019 restated £
Net cash inflow from operating activities		2,177,282	622,527
Capital expenditure and financial investments			
Payments to acquire tangible fixed assets		(1,683,031)	(664,138)
Cash and cash equivalents from new subsidiary		-	-
Proceeds on disposal of Investment		-	-
Cash inflow from financing activities		823,687	-
(Decrease)/Increase in cash		<u>1,317,938</u>	<u>(41,611)</u>
Reconciliation to changes in resources			
Net income before transfers		953,068	1,346,500
Loss on assets written off		-	3,586
Depreciation of tangible fixed assets		349,600	296,724
Net Assets acquired from Deptford Reach		-	(1,036,297)
(Increase)/Decrease in debtors		1,735,135	(1,460,817)
Increase/(Decrease) in creditors		(860,521)	1,472,831
		<u>2,177,282</u>	<u>622,527</u>
Net cash inflow from financing activities			
Long-term loan		823,687	-
		<u>823,687</u>	<u>-</u>
Reconciliation of net cash flow			
(Decrease)/Increase in cash		1,317,939	(41,611)
Balance at 1 April 2019		3,886,101	3,927,712
Balance at 31 March 2020		<u>5,204,040</u>	<u>3,886,101</u>

The notes on pages 27 to 41 form part of these accounts.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020

1. General Information

Thames Reach Charity, operating as Thames Reach, is a charity registered in England and Wales number 1166311 and a company limited by guarantee number 10098652. The principal address and registered office is Employment Academy, 29 Peckham Road, London, SE5 8UA.

2. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Thames Reach meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern

As part of the Trustees review of the appropriateness of adopting the going concern basis for preparing the annual accounts an analysis of performance during the 2021 year to date and a number of projections were performed. The bulk of Thames Reach's operating costs relates to staff costs. Because of this our staff complement is arranged with generic job descriptions that allow redeployment in the case that the service a staff member is in gets decommissioned. If redeployment options are not available only then is redundancy a factor. The structure of our staff teams means that most contracts with a period of 2 years or less are staffed on a Fixed Term contract. Trustees maintain a contract tracker to identify services that are contracted for longer than 2 years, meaning that staff are on permanent contracts, for any indication that they will be decommissioned. With the increase in funding to the sector from the MHCLG over the past two years there has been an expansion in vacancies and so redeployment opportunities abound. The exposure of Thames Reach to contract loss is assessed and the lost contribution to core costs as well as redundancy costs are considered. Additionally, working in the homelessness sector has meant that there has been additional funding for us to respond quickly to the initial "Everyone In" campaign that the government instituted to make sure that rough sleeping was eliminated in the lockdown. This was a successful programme and saw the GLA procure a number of hotel spaces for rough sleepers. Subsequently we have been involved in the move on options for many of those hotel residents. In the reviews up to date of signing these accounts it was thought unlikely that any existing services would be decommissioned. On the basis of these reviews, the Trustees consider it is appropriate for the going concern basis to be adopted in preparing these financial statements.

c) Basis of consolidation

The group financial statements consolidate the financial statements of Thames Reach Charity Limited and all its subsidiary undertakings drawn up to 31 March each year. No profit and loss account is presented for Thames Reach Charity Limited as permitted by section 408 of the Companies Act 2006. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities. Control of Thames Reach Housing Limited was effective from 13 July 2018. Thames Reach Housing has not engaged in any activities.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

d) Judgements in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The depreciation of the components of Thames Reach's housing properties have been made using the matrix provided by the National Housing Federation and applied to properties purchased.

The initial key assumption on the transfer of Deptford Reach was a valuation of £1. There has now been a change in estimation of value having received a full valuation from surveyors. This has increased the carrying amounts of assets and corresponding reserve.

e) Income

Grants, charges, material donations and Supporting People funding are recognised in the period in which they are receivable. Supporting People and rental charges are stated net of voids. Smaller donations and bank interest received are recognised on receipt.

Income which is specifically for the performance of the main service of the organisation is analysed as "income from charitable activities".

Grants for the purchase of fixed assets (equipment and furniture) are treated as restricted funds. The assets purchased are capitalised and the depreciation of these assets is allocated to the restricted fund on a yearly basis thereby reducing the restricted fund to nil over the same period as the asset.

f) Expenditure

Expenditure is recognised on an accruals basis.

Salary and other costs expended in directly providing the main services of the organisation are analysed as "charitable activities".

Other support costs are allocated to "charitable activities" or "cost of raising funds" on the basis of the estimated staff time spent on each area.

Governance costs comprise those costs relating to compliance with constitutional and statutory requirements, Board expenses and other costs of strategic development.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

2. Accounting policies (continued)

g) Tangible fixed assets and depreciation

Assets over £500 are capitalised. Tangible fixed assets other than freehold land and assets under construction are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	4 years
Motor vehicles	5 years

Thames Reach separately identifies the major components of its housing properties and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight line basis over the length of the lease or the following years.

Land	Nil
Main fabric	100 years
Roof structure and coverings	70 years
Windows and external doors	30 years
Boilers	15 years
Kitchen	20 years
Bathrooms	30 years
Mechanical systems (heating, plumbing)	30 years
Electrics	40 years
Lift	20 years

h) Pensions

The pension costs charged in the financial statements represent the contributions payable by the organisation during the year to the defined contribution scheme.

i) Accumulated Funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements. Designated funds comprise funds which have been set aside at the discretion of the Board for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

j) Non-basic financial instrument

The non-current loan has an amount payable on a contingent basis, as such this loan is classed as a non-basic financial instrument under FRS 102. It is held at Fair Value within the financial statements. Thames Reach makes an assessment at each year end of the value of the properties underlying the loan and revalue the amount payable in the financial statements in line with the amount repayable, being a 75% of the value of the properties.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

3. Accommodation services	Unrestricted	Restricted	Total	Total
	funds	funds	2020	2019
	£	£	£	restated
				£
Support contracts	3,851,148	-	3,851,148	3,811,346
Rental income	3,694,140	-	3,694,140	3,943,393
Other income	388,922	-	388,922	353,016
	7,934,210	-	7,934,210	8,107,755

4. Support activities

London Councils	-	414,105	414,105	397,233
Support contracts	252,341	-	252,341	766,293
GLA	2,899,807	439,187	3,338,994	3,086,521
Health Commission	-	1,614,999	1,614,999	2,275,849
London Borough of Lambeth	989	567,006	567,995	390,922
London Borough of Lewisham	182,744	-	182,744	-
London Borough of Hackney	327,698	-	327,698	151,938
London Borough of Croydon	114,438	-	114,438	63,027
London Borough of Haringey	87,325	-	87,325	31,376
London Borough of Brent	753,423	-	753,423	759,313
London Borough of Enfield	41,910	-	41,910	-
London Borough of Greenwich	125,855	-	125,855	-
London Borough of Newham	239,796	-	239,796	-
Transfer of Vital Regeneration	-	-	-	301,979
Trust Income	460,178	48,274	508,452	1,017,456
Other income	789,801	17,446	807,247	339,902
Donations	48,212	-	48,212	1,329
	6,324,517	3,101,017	9,425,534	9,583,138

By activity:

	Accommodation/ Community Support	Tenancy	Total	Total
	£	£	2020	2019
	£	£	£	restated
				£
London Councils	-	414,105	414,105	397,233
Support Contracts	252,341	-	252,341	766,293
GLA	-	2,241,001	3,338,993	3,086,521
Health Commission	1,614,999	-	1,614,999	2,035,718
London Borough of Croydon	114,438	-	114,438	63,027
London Borough of Hackney	161,382	166,317	327,699	151,938
London Borough of Lambeth	567,995	-	567,995	390,922
London Borough of Lewisham	182,744	-	182,744	-
London Borough of Greenwich	125,855	-	125,855	-
London Borough of Newham	-	239,796	239,796	-
London Borough of Haringey	-	87,325	87,325	31,376
London Borough of Brent	753,423	-	753,423	759,313
London Borough of Enfield	-	41,910	41,910	-
Gross Rental Income	21,804	-	21,804	-
Transfer of Vital Regeneration	-	-	-	301,979
Trust Income	494,916	13,536	508,452	1,017,456
Other income	293,062	492,381	785,443	339,902
Donations	28,327	19,885	48,212	1,329
	4,611,286	3,716,256	9,425,534	9,343,007

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

5. Pathways to occupation	General	Restricted	Total	Total
	funds £	funds £	2020 £	2019 restated £
LB Southwark	87,583	-	87,583	-
London Borough of Lambeth	55,687	-	55,687	-
Trusts - Health Related	-	-	-	-
Trusts - Other	110,867	166,666	277,533	68,536
Donations	319,947	2,043	321,990	178,199
Other income	1,062,746	83,779	1,146,525	947,494
	<u>1,636,830</u>	<u>252,488</u>	<u>1,889,318</u>	<u>1,194,229</u>

6. Total Expenditure	Staff costs	Other costs	Total	Total
			2020	2019 restated
Costs of raising funds	189,916	35,819	225,735	156,463
Charitable activities	11,134,100	6,949,572	18,083,672	17,710,464
Accommodation	3,217,224	3,605,068	6,822,292	7,239,596
Support Activities	7,275,225	2,675,058	9,950,283	9,539,199
Pathways to occupation	641,651	669,446	1,311,097	931,669
	<u>11,324,016</u>	<u>6,985,391</u>	<u>18,309,407</u>	<u>17,866,927</u>
Total 2019 restated	<u>10,767,068</u>	<u>7,099,859</u>	<u>17,866,927</u>	

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

6. Total expenses (continued)

	2020	2019
	£	restated £
Analysis of Governance and support costs		
Support costs		
Staff training and recruitment	214,400	147,136
Rent and service charges	578,417	581,234
IT support and equipment	583,877	526,862
Travel costs	245,388	174,463
Partnership contracts	528,065	634,717
Property costs	1,554,850	1,860,348
Insurance	194,456	173,570
Telephone and communication costs	211,862	208,605
Printing, postage, stationery and publicity	41,497	48,526
Food	119,071	168,163
Legal and professional	104,186	305,265
Tenants and clients welfare	507,665	267,412
RSL management and maintenance	1,118,704	1,307,714
Other direct costs	960,851	678,541
	<u>6,963,289</u>	<u>7,082,556</u>
Governance Costs		
Audit fee	<u>22,102</u>	<u>17,303</u>
	<u>6,985,391</u>	<u>7,099,859</u>

Other direct costs include cost of furniture and depreciation.

7. Board

None of the non-executive board members (or any persons connected with them) received any remuneration or benefits from the organisation during the year.

The key management personnel of the association comprises the senior management team who received remuneration of £301,019 (2019: £277,647).

8. Employees

Average monthly number of employees (Full time equivalents) during the year	355	349
	2020	2019
	Number	Number
Housing and project services	332	319
Fundraising and publicity	2	2
	<u>334</u>	<u>321</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

8. Employees (continued)

Analysis of staff costs	2020 £	2019 £
Wages and salaries	8,756,197	8,358,196
Social security costs	811,750	781,935
Other pension costs	526,583	521,745
Agency, relief and volunteer costs	1,229,486	1,105,192
	<u>11,324,016</u>	<u>10,767,068</u>

The total amount of redundancy payments awarded in the year is £1,121 (2019: £3,678). Settlement agreements totalled £20,800 in year 2020 (2019: £5,000).

The number of employees whose annual emoluments were over £60,000 or more (excluding Employers NI and 6.5% Pension contribution) were:

	2020	2019
£100,001-110,000	-	-
£90,001-100,000	1	2
£80,001-90,000	-	-
£70,001-80,000	2	-
£60,001-70,000	-	3
	<u>3</u>	<u>5</u>

9. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. Tangible fixed assets: Charity

	Note	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Cost				
At 1 April 2019 (Restated)	22	13,635,227	729,910	14,365,137
Additions		1,553,022	130,008	1,683,030
Disposal		-	-	-
At 31 March 2020		<u>15,188,249</u>	<u>859,918</u>	<u>16,048,167</u>
Depreciation				
At 1 April 2019 (Restated)	22	1,592,675	626,123	2,218,798
Charge for the year		262,229	87,371	349,600
Disposal		-	-	-
At 31 March 2020		<u>1,854,904</u>	<u>713,494</u>	<u>2,568,398</u>
Net book value				
At 31 March 2020		<u>13,333,345</u>	<u>146,424</u>	<u>13,479,769</u>
At 31 March 2019 (Restated)	22	<u>12,042,552</u>	<u>103,787</u>	<u>12,146,339</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

10. Tangible fixed assets: Group

	Note	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Cost				
At 1 April 2019 (restated)	22	13,635,227	877,497	14,512,724
Additions		1,553,023	130,008	1,683,031
Adjustment (fully depreciated assets written off)			-147,589	-147,589
Disposals			-	-
At 31 March 2020		15,188,250	859,916	16,048,166
Depreciation				
At 1 April 2019 (Restated)	22	1,592,675	773,711	2,366,386
Charge for the year		262,229	87,371	349,600
Adjustment (fully depreciated assets written off)			-147,589	-147,589
Disposals			-	-
At 31 March 2020		1,854,904	713,493	2,568,397
Net book value				
At 31 March 2020		13,333,346	146,423	13,479,769
At 31 March 2019 (Restated)	22	12,042,552	103,786	12,146,338

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£	£	£	restated £
11. Debtors				
Charges and grants receivable	2,147,825	3,620,314	2,147,825	3,443,237
Rent arrears	541,655	816,401	541,655	816,401
Inter-company receivables	-	-	-	0
Other debtors	109,333	97,233	114,333	37,531
	<u>2,798,813</u>	<u>4,533,948</u>	<u>2,803,813</u>	<u>4,297,169</u>
12. Creditors: amounts falling due within one year				
	2020	2019	2020	2019
	£	restated £	£	restated £
Trade creditors	648,666	738,059	648,666	727,379
Taxes and social security costs	220,391	213,058	220,391	213,058
Grants in advance	2,575,489	2,434,788	2,575,489	2,434,788
Other creditors	553,513	1,472,675	553,513	1,472,675
	<u>3,998,059</u>	<u>4,858,580</u>	<u>3,998,059</u>	<u>4,847,900</u>

13. Pension costs

Thames Reach contributes to a defined contribution scheme for employees. Contributions payable to the scheme for the year were £ 526,583 (2019: £ 521,745).

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

14. Restricted funds

The income funds of the organisation include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019	Income 2020	Expenditure 2020	Transfers in funds 2020	Balance at 31 March 2020
	£	£	£	£	£
Capital Fund - Employment Academy	3,521,368		(84,204)	-	3,437,164
Capital Fund - Robertson Street Hostel	1,402,174	-	(41,779)	-	1,360,395
Hilary Stent Fund	6,922	2,043	(339)	-	8,626
London Councils funded outreach team	21,464	401,197	(390,738)	-	31,923
Restricted fund for BRiL	288,830	266,666	(4,763)	-	550,733
Trust funded Health projects	-	2,190,719	(1,930,179)	-	260,540
Safe Connections funding	214,794	449,545	(450,052)	-	214,287
Lambeth funding	88,498	25,656	(25,914)	-	88,240
Deptford Reach property	889,282	-	(17,786)	-	871,496
Garfield Weston Fund (Deptford Reach)	100,000	-	(100,000)	-	-
Other Restricted funding	2,080	19,262	(18,425)	-	2,917
Restricted funds in Vital Regeneration	52,203	-	(52,203)	-	-
	<u>6,587,615</u>	<u>3,355,088</u>	<u>(3,116,382)</u>	<u>-</u>	<u>6,826,321</u>
As at March 2019	5,608,883	4,952,693	(3,973,961)	-	6,587,615

Capital Fund – Employment Academy: This restricted income has been used for the purchase and refurbishment of Thames Reach Employment Academy and is being depreciated as per accounting policy 2g.

Capital Fund – Robertson Street: This restricted income has been used for the refurbishment of Robertson Street Hostel which is due to be transferred to a new Registered Provider Thames Reach Housing (TRH) when registration of TRH as an RSL is completed.

Hilary Stent Fund: The fund represents donations received for the annual awards to clients of Thames Reach making a significant change in their lives. Fundraising is currently underway for the next set of awards in November 2018.

Capital Fund for Bril Flats: This fund was used to buy properties for the Resettlement and Brokerage project in Lambeth and is being depreciated as per accounting policy 2f.

Trust funded Health Projects: This fund shows the monies received for the Living Well Network and IPSA projects funded via Lambeth CCG, Lambeth Council and the Guys and St Thomas Charity.

Safe Connections Fund: The GLA have funded a project to provide Safe Connections for people who have slept on the streets. The money is paid on a quarterly basis but the expenditure does not follow a similar smooth line.

Lambeth Funding: funding for our Lambeth Offender's Team

Garfield Weston Fund (DeptfordReach): This was a restricted fund held by Deptford Reach. It was repaid to Garfield Weston in the 2020 financial year.

Other Restricted Funds: this is trust funding for posts at our hostels.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

15. Unrestricted and Designated funds

The income funds of the organisation include the following designated funds which have been set aside out of unrestricted funds by the Board for specific purposes:

	Balance at 1 April 2019 £	Income 2020 £	Expenditure 2020 £	Transfers in funds 2020 £	Balance at 31 March 2020 £
Functional Fixed Assets Reserve	-	-	-	6,436,294	6,436,294
Furniture and equipment	1,519,385	-	(396,772)	(1,122,613)	-
Office leases	28,261	-	-	-	28,261
Repairs and maintenance	1,813,463	-	(12,009)	(1,801,454)	-
Sinking Fund	414,403	-	-	-	414,403
Staff	314,342	-	-	-	314,342
IT and infrastructure	120,207	-	-	-	120,207
Vital Regeneration	301,980	-	(55,349)	-	246,631
Deptford Reach building fund	18,343	-	-	-	18,343
New Business Development	1,709,375	-	-	(1,199,375)	510,000
Designated Reserves	6,239,759	-	(464,130)	2,312,852	8,088,481
General Reserves	2,880,434	15,907,387	(14,728,895)	(2,312,852)	1,746,074
Total Unrestricted Reserves	9,120,193	15,907,387	(15,193,025)	-	9,834,555

Funds are designated by the Board for particular use out of General Funds. General Funds are determined by removing the funds attributable to functional fixed assets, being those assets necessary for the charity to deliver its activities. Thames Reach has a target General Reserves figure of £1,905k.

All of Thames Reach's fixed assets are considered to be in the category of Functional Fixed Assets. Of the remaining funds there are 6 such designations:

Office Leases - This fund is to provide for office relocation and set up. We currently have office premises in Sutton, Hackney and Lambeth. The fund balance is £28k. The rental agreements are on a rolling monthly basis and this fund will be utilised on termination.

Sinking Fund - This fund is for major repairs to the fabric of buildings we own: Thames Reach Employment Academy, Elmfield and Hudson House. It is currently £414k. There are 5 year plans in place for these funds to be utilised.

Staff - This £314k is set aside for non-budgeted costs required to meet contractual obligations such as maternity/parental leave and redundancy. It also contains a £93k refund from HMRC received in the previous financial year. Thames Reach is currently in discussions with the Union regarding a proposal to amend the way staff salaries progress, this fund is to be used for additional costs arising from the changes. Part of the pay proposal was effective from October 2020, with the rest to follow in the 2020/21 financial year.

IT and Infrastructure - This fund allows us to meet the changing needs of the organisation. This year we upgraded our website and have started work on how to develop a new form of intranet. We have also started the work to upgrade the HR software which we hope to complete in 2020. The current level of the fund is £120k. In 2021 this is to be spent on a lone working system and the migration to Office365.

Vital Regeneration - Thames Reach has taken over the subsidiary and this £119k represents the funds designated to continue to work to design and deliver innovative, sustainable programmes that enable individuals and communities to fulfil their potential through learning, employment and enterprise. This is expected to occur in 2021.

Deptford Reach Building fund - this £18k was received as part of the acquisition of Deptford Reach. It is an amount from the COIF General Account (a charity high interest saving account) and has been designated as the building fund for the future maintenance of the property on Speedwell Street.

New Business Development - This fund is intended to support the development of pilot projects that will enable us to test new approaches to service delivery, and/or work with new commissioning authorities. The intention is to invest £170,000 over the duration of the current business plan (Thames Reach Business Plan 2019-22).

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

16. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2020 are represented by:			
Tangible fixed assets	7,259,981	6,219,788	13,479,769
Current assets	7,396,320	606,533	8,002,853
Non Current liabilities	(823,687)	-	(823,687)
Creditors: amounts falling due within one year	(3,998,059)	-	(3,998,059)
	<u>9,834,555</u>	<u>6,826,321</u>	<u>16,660,876</u>
2018/2019 restated	<u>8,928,459</u>	<u>6,535,412</u>	<u>15,463,871</u>

17. Vital Regeneration close

During the year the closure of Vital Regeneration was completed.
There were some funds in the Group attributable to Vital Regeneration that were not realisable.
The figures in the SOFA represent the write down of those funds.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

18. Contingencies and commitments

Commitments under operating leases

At 31 March 2020 the organisation had annual commitments under non-cancellable operating leases as follows:

	2020 Land and buildings £	Other £	2019 Land and buildings £	Other £
Expiry date:				
Within one year	15,654	2,793	16,256	2,825
Between two and five years	-	-	4,500	-
In over five years	-	-	-	-
	<u>15,654</u>	<u>2,793</u>	<u>20,756</u>	<u>2,825</u>

19. Subsidiary

At 31 March 2020 the charity had two subsidiaries. Thames Reach Charity controlled one other small charitable company (limited by guarantee), Vital Regeneration. Thames Reach also controlled a company, Thames Reach Housing, that has not begun trading.

Included in the consolidated financial statements are the results of the subsidiary Vital Regeneration. The results were as follows:

	2020 £	2019 £
Total income	-	208,139
Total expenditure	-	(367,888)
Net income for the year	-	(159,749)
Net loss on investment	-	-
Funds brought forward	-	714,338
Funds carried forward	-	554,589
The aggregate of the assets, liabilities and funds was:		
Assets	-	748,617
Liabilities	-	(194,028)
Total funds	-	554,589

20. Related party transactions

During the year Thames Reach charged Vital Regeneration £nil (2018: £nil) to cover a range of corporate services provided under service level agreements. At 31 March 2019, the amount due to Vital Regeneration was £nil (31 March 2018: £239,417).

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

21. Prior year restatement

In previous years income in advance was incorrectly shown as including earned income. This was identified in the year and corrected as follows:

Restatement of funds

	Unrestricted £	Restricted £	Total £
Previously Stated as at 1 April 2018	8,007,960	5,608,883	13,616,843
Income required to be released in years prior to FY 18/19	498,495	-	498,495
Restated as at the 1 April 2018	8,506,455	5,608,883	14,115,338
Previously Stated as at 31 March 2019	8,375,728	6,587,615	14,963,343
Income required to be released in years prior to FY 18/19	498,495	-	498,495
Income required to be released in FY 18/19	338,971	-	338,971
Expenditure requiring recognition in 18/19	- 93,001	-	- 93,001
Restated as at the 31 March 2019	9,120,193	6,587,615	15,707,808

Restatement of Balance Sheet and SOFA

Balance Sheet

	£
Previously Stated as at 31 March 2019	5,603,045
Income required to be released in FY 18/19	- 498,495
Income required to be released in years prior to FY 18/19	- 338,970
Expenditure requiring recognition in years prior to FY 18/19	93,000
Restated as at 31 March 2019	4,858,580

Creditors

SOFA (Income from Charitable Activities)	Pathway to Occupation	Support Activities	Accommodati on Services	Total
As Previously Stated as at 31 March 2019	1,194,229	9,244,167	8,107,755	18,546,151
Income required to be released in FY 18/19	-	338,971	-	338,971
Restated as at 31 March 2019	1,194,229	9,583,138	8,107,755	18,885,122

	£
SOFA (Expenditure from Charitable Activities)	18,086,936
Expenditure requiring recognition in 18/19	93,001
Restated as at 31 March 2019	18,179,937

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2020 (continued)

22. Prior year restatement

In previous years a leasehold improvements invoice was captured incorrectly in the Fixed Assets Register as Furniture, Fittings and Fixtures. The depreciation method was in line with the Leasehold improvements rate:

	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Restatement of Fixed Assets Note			
Charity:			
Cost			
<i>Previously Stated as at 31 March 2019</i>	12,503,958	1,861,179	14,365,137
Adjustment	1,131,269	(1,131,269)	-
Restated as at 31 March 2019	13,635,227	729,910	14,365,137
Accumulated Depreciation	£		
<i>Previously Stated as at 31 March 2019</i>	1,570,050	648,748	2,218,798
Adjustment	22,625	(22,625)	-
Restated as at 31 March 2019	1,592,675	626,123	2,218,798
Net book value			
<i>Previously Stated as at 31 March 2019</i>	10,933,908	1,212,431	12,146,339
Adjustment	1,108,644	(1,108,644)	-
Restated as at 31 March 2019	12,042,552	103,787	12,146,339
Group			
Cost			
<i>Previously Stated as at 31 March 2019</i>	12,503,958	2,008,766	14,512,724
Adjustment	1,131,269	(1,131,269)	-
Restated as at 31 March 2019	13,635,227	877,497	14,512,724
Accumulated Depreciation	£		
<i>Previously Stated as at 31 March 2019</i>	1,570,050	796,335	2,366,385
Adjustment	22,625	(22,625)	-
Restated as at 31 March 2019	1,592,675	773,710	2,366,385
Net book value			
<i>Previously Stated as at 31 March 2019</i>	10,933,908	1,212,431	12,146,339
Adjustment	1,108,644	(1,108,644)	-
Restated as at 31 March 2019	12,042,552	103,787	12,146,339