

TURNINGTIDES
ENDING LOCAL HOMELESSNESS

TURNING TIDES

TRUSTEES' REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Charitable Housing Trust
A Company Limited by Guarantee
Registered as Turning Tides Homelessness

Charity Number: 1027832

Company Limited by Guarantee: 2708334



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

Trustees	Ian Mintram (Chair) Richenda Kullar (Company Secretary) Duncan Anderson Timothy Cooper Matthew Hodson (resigned July 2021) Moira James Bill Jones Jane Lodge Alwen Lyons Martin Quinn David Standing
Company Registered number	2708334
Charity Registered number	1027832
Registered office	Worthing Town Hall Chapel Road Worthing West Sussex BN11 1HA
Company Secretary	Richenda Kullar
Chief Executive Officer	John Holmström
Independent Auditors	Sheen Stickland Chartered Accountants 7 East Pallant Chichester West Sussex PO19 1TR
Bankers	HSBC Goring Road Worthing West Sussex BN12 4AW

Chair's statement

This year has brought many challenges and, undoubtedly, there will be more to come. In fact, the medium-term future is starting to reveal difficulties we have not had to face before.

To begin with just a few of the positives – and there are many - we have helped more people than ever this year: 883. A good number of these have been supported to independent living and a brighter future.

As with every year, our services have also saved lives. Our drop-in community hubs and residential services have saved many from the ravages of rough sleeping and the harsh winter months.

We have also developed new services, for example, a converted double decker bus is taking to the road as a mobile community hub specifically to combat homelessness in rural areas.

But we have also seen more deaths than ever before. Despair, ill health and complex needs all play their part in this picture.

The Government's 'Everyone In' Policy brought people indoors and protected them from the first waves of Covid-19. The subsequent 'Protect and Vaccinate' initiative also generated temporary placements and protected people from the Omicron variant. However, many of these temporary measures are ending, so what happens next is of great concern.

At the time of writing escalating living costs are also rising sharply. This impacts our own finances at precisely the time when need for our services is also on the rise. Without doubt, many households are poised to tip into homelessness in the months to come and a deficit in our budget means we have some difficult times ahead.

Nevertheless, our mission remains the same. We are currently seeking new properties to meet the extra need and even though our team are very stretched, they remain determined. We will do everything we can to ensure no one has to face the trauma of homelessness alone.

As always, we are hugely grateful for the tremendous support we have received from our donors, community partners and funders. Their help is more vital than ever as we strive to help the growing number of people who need us.

Ian Mintram
Chair of Trustees
June 2022

The Trustees present their annual report together with the audited financial statements for the year 1 April 2021 to 31 March 2022. The Trustees confirm the Annual Report and financial statements of the Company comply with current statutory requirements, requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to all charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The charity is considered to be a Charitable Housing Trust as defined by the Housing Association Act 1985.

Since the Company does not qualify for the small companies' regime, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is included.

About Turning Tides

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

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

Turning Tides Approach

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

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

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

Charitable Objectives

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

Our Vision, Mission and Ambitions

Our Vision

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

Our Mission

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

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

Our Ambitions (now - 2024):

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

Turning Tides' Services

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

883 individual clients accessed the Charity's services in 2021 /2022, 351 of which were new clients.

As at the end of March 2022 the Charity has 158 paid staff and 359 volunteers who currently deliver:

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

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

Strategic Review

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

In 2019 the following four ambitions were set:

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

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

Achievements and Performance

Covid 19, 'Everyone In' and 'Protect and Vaccinate'

Covid 19 ushered in a truly historic moment for the homeless sector. To give some context, March 2020 brought an instruction from national Government giving us two weeks to implement an emergency response to the spread of the virus. Working with partners, we were asked to find every person sleeping rough and bring them into emergency temporary accommodation. This quick response was crucial; even without a deadly virus homeless people die 30 years sooner than the general population.

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

It is hard to convey the enormity of this achievement and its impact on the sector. 'Everyone In' demonstrated that given the mandate and means, rough sleeping can be dramatically reduced.

However, the period of this report pertains to April 21 through to March 22, and therefore begins to tell the story of what happened next. Certainly, some people reaped the benefits of 'Everyone In' and having received shelter and support they moved on to independent living. In contrast, some 'Everyone In' placements ended and we saw people returned to the streets. Unprecedented numbers remain in these temporary placements, often without adequate or appropriate support, and unsure what will happen next to them. Across West Sussex record numbers of people, still just under 1000, remain in a range of temporary and emergency temporary accommodation with no real pathway out of homelessness.

During this period huge collaborative efforts were made to vaccinate as many staff and clients as possible. Our team and local partners within the health sector deserve much credit for the swift rolling out of the vaccinations. With the arrival of Omicron, the Government also launched its 'Protect and Vaccinate' initiative where support was provided enabling more homeless people to access the vaccine and access emergency accommodation over the winter months.

The most concerning aspect of this period is the rise in client deaths. We have seen more deaths than ever before in such a short space of time, reflecting wider systemic issues around the complexity of individual needs, an escalation of despair, and a shortage of high support housing solutions locally.

Beyond 'Everyone In'

The picture ahead is deeply concerning. More and more people are presenting as homeless as the full economic impact of Covid begins to reveal itself and the rise in living costs starts to bite.

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

Our Services

During the period of this report 883 people received support as they experienced the trauma of homelessness. This is no small achievement for a workforce of staff and volunteers who are feeling the exhaustion of the pandemic alongside increased need for their skills and care.

Despite the challenges we saw many steps forward in the provision of our services. We secured a large contract to deliver drug and alcohol recovery services, and this is now secure for the next five years. This substantial contract reflects the confidence in our outstanding recovery services and enabled us to recruit additional social workers and a nurse. This also makes Turning Tides the leading provider of residential recovery services within the local homeless sector. We will be delivering this important work with two other charities, Stonepillow and Emerging Futures, and this medium-term funding will undoubtedly support many people to transition their life from the grip of addiction.

In a similar vein we secured funding from Public Health England for dual diagnosis posts working across Worthing, Horsham and Crawley. Dual diagnosis is an approach where mental health issues are supported hand in hand with substance misuse; these key positions will make an impact across the county.

Our Discharge to Access Scheme has also been very successful. This partnership with Mental Health Services makes considerable savings for the NHS via our provision of supported accommodation for patients who are ready to step down from in-patient mental health care but not yet able to live independently.

Further NHS savings will have been made by the successful continuation of our Hospital Admission Reduction Pathway scheme. This initiative is yielding results by providing tailored and personal support for people experiencing the physical health impacts of homelessness, therefore reducing admissions to hospital, in particular A&E.

Our vital counselling service also expanded with a new Counselling Coordinator and more volunteer counsellors. This service is now available in principle to all clients across our projects, including our drop-in community hubs. Our counselling team extend a level of support to people that is hard to find elsewhere in the wider health system, by providing a range of therapeutic interventions, free of charge, for up to two years.

Our life-saving community hubs have continued to help people survive their darkest hour and find a pathway out of homelessness. Work in Littlehampton received a prestigious Divisional Commendation from Sussex Police recognising our positive impact in the local community. As Covid restrictions have eased we also welcomed support groups back into our hubs so clients can engage with cooking, music and art. These groups help to build much-needed friendships, promote self-care and self-respect, and can aid the processing of trauma and past experiences. Particularly valuable work has taken place with our women's groups who staged a powerful 'Hidden and Hunted' photography exhibition, in partnership with Safe in Sussex, which conveyed their experiences of homelessness. At the time of writing an equally powerful 'Kintsugi Women' exhibition is taking shape.

Innovation continued with a wonderful project to convert a double decker bus into a mobile community hub complete with kitchen, shower, toilet and digital suite. This important new initiative will be launched later this year. The bus will make a significant difference to homelessness in rural areas where people sleeping rough are often very dispersed and hidden away.

We have also taken care to look after and invest in our properties, recognising these buildings are sometimes the first safe home a person may have experienced in a long time, and possibly ever. Our Health and Safety processes have been thoroughly reviewed with increased rigour. When improving

our buildings, we have maximised units wherever possible, using refurbishment as a vehicle to create more possibilities to house people and meet the growing need.

Meeting this extra need has also driven us to set new projects in motion, including a plan to create 13 new move-on housing units in Worthing. A planning application has also been submitted for a higher support 21-unit project, also in Worthing. At the time of writing, we are looking at other projects across West Sussex. We are also making plans to close our Lyndhurst Road project in Worthing (the landlord needs the property returned to them for development) and relocate the staff and clients to other premises.

The areas of work detailed above provide a snapshot and are by no means comprehensive. Our staff and volunteers across the Charity have worked tirelessly throughout this period to support hundreds of people across West Sussex.

Our Team

We are very grateful to our staff for their huge commitment and dedication through the continued challenges and impact of the pandemic. Operational staff continue to feel the stretch as they manage a significant increase in attrition and difficult levels of absence, in particular COVID related absence brought on by the relaxation of the rules around mask wearing and testing. Relief staff have alleviated some of these challenges but more focus on this area is required in 2022/23. Absence will be monitored closely through 2022/23 alongside training and support for managers to help them manage these situations.

Recruitment and training of new staff, to ensure they have a very positive experience when joining Turning Tides, will be key moving forwards. We ended the financial year with a 13.8% vacancy rate and intend to grow the Charity to meet the extra need for our support, so these issues around recruitment will remain important.

Wellbeing has continued to be a focus with the launch of Medicash benefit to all staff and the roll out of Reflective Practice to support our PIE strategy.

Our Management Team also went through a leadership and development programme which ends in September 2022 and consideration to how this can be sustained in 2022/23 is underway. We intend to link this to our talent management and succession strategies. Overall, this has been a challenging year with many signs of fatigue and strain across our teams. We will continue to support with the right priorities through 2022/23.

Following an easing in Covid 19 restrictions our volunteers have returned to services over this period. We took a measured approach to gradually reintroducing critical volunteer roles and by the end of March 22 all volunteering opportunities have returned.

Some 359 volunteers supported our work across the Charity, providing a generous and hugely valuable 9,869 hours of support. We developed our specialist volunteer offer through our counselling service, befriending and mentoring scheme, and also through developing volunteer roles to support clients with wellbeing and skill development. This period saw us developing 133 specialist volunteers with roles ranging from yoga instructors to movement therapists.

We were fortunate to welcome 21 student placements, working in partnership with several education providers, in areas such as social work and occupational therapy.

Volunteers are crucial to the delivery of our services and their support can be transformational for clients. Our volunteers were also presented with the prestigious Queens Award for Voluntary Service during this period, made possible once social distancing regulations had relaxed.

Community Support

As with many charities, we started the year with apprehension that fundraised income would dramatically decrease as a result of lockdown measures, cancelled fundraising events, and the impact of the pandemic on the economy and public giving.

The Fundraising and Communications Team, continued to work hard to adapt our fundraising programme and secure income in these challenging times. They launched a Crisis Appeal in the Spring and trialed new events and initiatives, including various merchandise linked to the fundraiser 'Pet Portraits by Hercule', whose dedication and generosity towards the Charity is such an appreciated gift during these difficult times. At Christmas we launched another appeal that exceeded all expectations and we started to reengage with face-to-face events in the community as the social distancing requirements allowed. Overall, our Fundraising and Communication Team secured income substantially over target, raising over £640k during the course of the year. Crucially this income provides completely unrestricted funds that enable the Charity to be agile and responsive, and also protect its independence. These community-based activities and campaigns are also directly linked to the fundamental mission of the Charity – to challenge the stigma and systems that feed into homelessness.

The Business Development team secured £1.5m through grants and trusts, at a challenging time when funding availability was reduced, not only due to the impacts of Covid-19 and austerity but also as the turnover of the Charity has increased above £5m which limits the scope of grants and trusts that we are able to apply for.

Income from the Business Development Team not only ensured that our existing services continued to support as many clients as possible but also led to the development of a number of services, including securing funding to recruit a Coordinator for our counselling service, securing additional substance misuse worker positions and increasing staffing within our Outreach services and Community Hubs.

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

KPIs

	2019-2020	2020-2021	2021-2022	% Increase or Decrease (20/21 – 21/22)
<i>Pathways out of homelessness:</i>				
Total clients supported	Data not available	841	883	+5%
Total new clients supported	Data not available	459	351	-24%

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Average length of rough sleeping of new clients (in weeks)	16.8	5.8	6.6	+14%
Number of people rough sleeping at end of Q4	23	16	42	+162%
Number of new clients taking up high support residencies with Turning Tides	104	118	125	+6%
Average length of stay in high support projects (in weeks)	39.5	29.3	26	-11%
Total high support move ons	105	107	133	+24%
% planned high support departures	55%	66%	62%	-4%
Safeguarding alerts	29	22	20	-9%
Accommodation:				
Total high and medium support units of accommodation	77	97	102	+5%
Total low support units of accommodation	105	108	110	+2%
% Occupancy high and medium support accommodation	94%	94.8%	94.4%	-0.4%
% Occupancy low support accommodation	87.5%	89.4%	82.5%	-6.9%
HR:				
Voluntary staff turnover (restated)	18.3%	14.9%	29.8%	+14.9%
Staff sickness total average % working days lost	3.4%	3.2%	6.4%	+3.2%
No of training sessions provided	20	101	103	+2%
Health and Safety & Maintenance				
Health and Safety compliance	Data not available	97%	99%	+2%
% Targeted response time achieved of emergency maintenance tasks (days) – target of 1 day	Data not available	Data not available	100%	NA
% Targeted response time achieved of urgent maintenance tasks (days) – target of 7 days	Data not available	Data not available	88%	NA

% Targeted response time achieved of routine maintenance tasks (days) – target of 28 days	Data not available	Data not available	65%	NA
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Future Plans

The potential financial picture ahead is deeply concerning. Almost all of our projects currently operate with a funding shortfall of some description and our frontline hub services are particularly at risk. A deficit budget is in place for the next year. In the short term this can be funded from existing reserves as we have a robust reserves policy (see below for more detail). This deficit presents itself starkly against a picture of increased need for our services and large swathes of society poised to tip into homelessness as living costs escalate. Homelessness is predicted to rise by a third, over the next 18 months.

Addressing this deficit will be a priority moving forwards and we have a plan for this, alongside exacting financial processes and prudence. We intend to address the deficit via growth, rather than contraction, this being vital if we are to continue to serve the local people who now need us more than ever. New premises with new funding must be found if we don't want to see a rise in people forced to sleep rough. To the same end we will also be looking to develop social enterprise opportunities and greater commissioned income.

The year ahead will also see us give careful attention to the wellbeing of our clients and team. We will be rolling out targeted training and resources across the Charity to ensure our work is psychologically informed and takes place within a compassionate and empowering framework for staff, volunteers and clients alike. Where we can, we will continue to seek longer term funding models rather than short term interventions that are costly to set up and potentially damaging to clients when wound down. We will also be developing our co-production forums and involving clients to a greater degree in our decision making. This important work has restarted now social distancing measures have eased.

A deeper focus on Equality, Diversity and Inclusion is also underway, as is the development of a quality assurance framework which identifies best practice, ensures continued compliance in terms of health and safety, protects decent homes' standards, and focusses on driving forward service improvement.

We also intend to further develop our community connections and support, harnessing this to consolidate and expand on our community response to ending homelessness. New models of peer support and lived experience of homelessness will also feature, strengthening our connections to, and understanding of, the people who need us the most.

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

A Homeless Crisis

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

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

We are committed to doing everything we can to ensure no one faces homelessness alone. Nevertheless, it will be a challenge for us to implement sustainable growth that genuinely meets need and is also deliverable. And, as ever, we will also need the support of the community and our partners throughout. We have always known homelessness is a systemic problem, and that solutions are similarly shared. As we face the challenges of the next few years, it has never been so clear, or so imperative, that joined-up and long-term solutions come to the fore.

Principal Risks and Uncertainties

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

Turning Tides recognises the role of robust KPIs and Organisational Plans together with the Risk Map in mitigating risk. The terms of reference of the Finance Committee (a subcommittee of the Board of Trustees) were broadened to a Finance and Audit Committee, to include the detailed review of the Key Performance Indicators (KPIs), Organisational Plan and Risk Map on a quarterly basis.

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

Risk	Risk Action Plan
Failure to maintain consistent staffing levels of good quality due to inability to attract and retain high quality staffing.	HR Strategy - various actions such as salary review, learning and development, employee brand development, new recruitment initiatives, staff development, progression and well-being activities
Inability to end local homelessness and deliver mission due to increase in homelessness following long term impact of the pandemic and austerity measures.	Finding shared purpose, generating social movement to end local homelessness in wider system and make good progress against our ambitions.
Pandemic/austerity results in sudden change in commissioning or drop in housing benefit levels which renders services unviable.	Gain intelligence and influence wider system and new developments. Drive efficiency. Ensure Charity can adapt quickly to changed circumstances and new opportunities. Increase investment in Business Development capacity.

Increased homelessness if Lyndhurst Road not re-provisioned and sufficient move on housing procured.	Invest in property development capacity Pursue application to register as Housing Association. Ensure strong business plan can support housing development.
Increase in homelessness due to lack of vacancies resulting from slow throughput within residential services.	Identify move on needs and in particular clients who are ready to move but restricted by lack of housing opportunities. Implementation of PIE/co-production leading to higher and sooner planned moves. Increase move on options.

Covid – 19

The charity continued to manage Covid 19 effectively through 2021/22 and continued its' leading role with West Sussex multi agency response. We had low infection rates in our staff and clients up until the change in the rules which relaxed mask wearing, at which time we saw a slight increase in Q4. This impacted both staff absence and specifically our residential project for about a 4-week period. We will continue to monitor this carefully through 2022/23.

Financial Review

During the 2021/22 Financial Year Turning Tides has generated a small management accounting surplus of £77k compared to a budgeted surplus of £161k. A fall in average occupancy levels was offset by increased income in other areas, leaving the post-budget IT-improvement project as the primary explanation for this. The following table shows the reconciliation between the statutory accounts and management accounting financial performance.

Reconciliation	2021	2022
	£k	£k
Management accounts surplus:	267	77
Non cash grant funding transferred with the acquisition of 2 client properties (Move-on Housing)	618	-
Pandemic specific funding	321	-
West Hill, Ravenscourt Trust and other smaller fund movements	nil	(115)
Net statutory surplus/(deficit) before transfers	1,206	(38)

The Charity strives to make efficient use of its resources and has achieved an average occupancy level (including maintenance voids) of 87.1% (2021 = 90.5%). Bad debts were 1.6% (2021 = 0.7%) of rent due against a target of 2.5%.

Reserves Policy and Going Concern

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

expense.

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

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

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

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

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

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

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

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

Conversely, if reserves rise above the maximum level agreed the Trustees will work with the CEO and

Senior Management Team to ensure the excess is explicitly considered and included within future plans to further the charity's aims such that, over a defined period, reserves are brought back within the agreed range.

At the year end, total funds were £6,839k (2021: £6,877k). Free reserves (cash less restricted and designated reserves which are unrelated to Fixed Assets) amounted to £1,552k (2021 £1,067k) which falls slightly above our maximum but unrestricted reserves are forecast to decrease to £1,293k during the 2022-23 year so no action was deemed necessary when this was reviewed by the Trustees.

The YMCA Downslink Group and the Worthing Borough Council Restricted Funds were fully utilised during the year as the criteria for their usage had been fully met. Restricted funds received from Adur Furniture Network will be utilised if/when an appropriate opportunity with long term, sustainable benefit is identified. Ravenscourt funding is being utilised to fund a specific revenue expense over the following 10-15 years.

Our accounts also show a designated fund associated with our property in East Grinstead (West Hill) which has been used to help improve the building and support services offered to clients in the local area. The remaining funds are likely to be utilised fully during 2022-23 to refurbish the property fully.

Structure, Governance and Management

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

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

There are currently 10 Trustees out of a maximum possible 15. During the course of the year one Trustee retired.

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

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

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

Trustees are all volunteers and receive no remuneration.

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

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

The Board meets as a full Board at least 4 times a year. During the COVID crisis the Board met on a

weekly basis to enable swift decision making during this difficult time.

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

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

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

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

Public Benefit Statement

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

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

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

Trustees' Responsibilities Statement

The Trustees (who are also the Directors of Turning Tides Homelessness for the purposes of Company Law) are responsible for preparing the Trustees' Report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Disclosure of information to auditors

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

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

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



I Mintram
Chair



T Cooper
Chair of Finance & Audit Committee

15 August 2022

Report of the Independent Auditors to the Members of Turning Tides Homelessness

Opinion

We have audited the financial statements of Turning Tides Homelessness (the 'charitable company') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of Turning Tides Homelessness

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

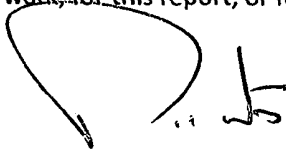
- enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims; and
- enquiry of entity's staff to identify any instances of non-compliance with laws and regulations; and
- reviewing minutes of meetings of those charged with governance; and
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

**Report of the Independent Auditors to the Members of
Turning Tides Homelessness**

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

Use of our report

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



P E H Wright FCA DChA (Senior Statutory Auditor)
for and on behalf of Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date: 15th August 2024

Turning Tides Homelessness

Statement of Financial Activities
for the Year Ended 31st March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	694,858	2,000	696,858	558,879
Charitable activities	5				
Byron, Manor and Lyndhurst		1,496,779	-	1,496,779	1,448,256
Recovery Services		728,916	-	728,916	688,582
Move on Housing		1,286,537	-	1,286,537	1,728,537
Homelessness Services		1,070,674	205,334	1,276,008	1,219,925
Central		8,786	900	9,686	58,489
Fundraising		136,505	-	136,505	346,681
Investment income	4	<u>1,565</u>	<u>-</u>	<u>1,565</u>	<u>906</u>
Total		5,424,620	208,234	5,632,854	6,050,255
EXPENDITURE ON					
Charitable activities	6				
Byron, Manor and Lyndhurst		1,210,170	-	1,210,170	1,189,116
Recovery Services		616,598	27,423	644,021	568,688
Move on Housing		1,293,863	-	1,293,863	1,000,228
Homelessness Services		1,035,360	207,334	1,242,694	1,126,527
Central		776,276	-	776,276	517,559
Fundraising and Volunteering		503,823	-	503,823	442,452
Total		5,436,090	234,757	5,670,847	4,844,570
NET INCOME/(EXPENDITURE)		(11,470)	(26,523)	(37,993)	1,205,685
Transfers between funds	18	<u>168,800</u>	<u>(168,800)</u>	<u>-</u>	<u>-</u>
Net movement in funds		157,330	(195,323)	(37,993)	1,205,685
RECONCILIATION OF FUNDS					
Total funds brought forward		5,269,440	1,607,842	6,877,282	5,671,597
TOTAL FUNDS CARRIED FORWARD		<u>5,426,770</u>	<u>1,412,519</u>	<u>6,839,289</u>	<u>6,877,282</u>

The notes form part of these financial statements

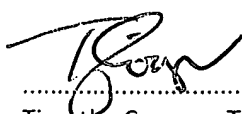
Turning Tides Homelessness

Balance Sheet
31st March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	4,028,510	1,150,000	5,178,510	5,512,617
CURRENT ASSETS					
Debtors	12	426,358	-	426,358	201,395
Investments	13	128	-	128	128
Cash at bank and in hand		<u>1,612,662</u>	<u>262,519</u>	<u>1,875,181</u>	<u>1,510,520</u>
		2,039,148	262,519	2,301,667	1,712,043
CREDITORS					
Amounts falling due within one year	14	(570,235)	-	(570,235)	(253,442)
NET CURRENT ASSETS					
		<u>1,468,913</u>	<u>262,519</u>	<u>1,731,432</u>	<u>1,458,601</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		5,497,423	1,412,519	6,909,942	6,971,218
CREDITORS					
Amounts falling due after more than one year	15	(70,653)	-	(70,653)	(93,936)
NET ASSETS					
		<u>5,426,770</u>	<u>1,412,519</u>	<u>6,839,289</u>	<u>6,877,282</u>
FUNDS					
	18			5,426,770	5,269,440
Unrestricted funds				<u>1,412,519</u>	<u>1,607,842</u>
Restricted funds					
TOTAL FUNDS					
				<u>6,839,289</u>	<u>6,877,282</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 August 2022 and were signed on its behalf by:


.....
Ian Mintram - Trustee


.....
Timothy Cooper - Trustee

The notes form part of these financial statements

Turning Tides Homelessness

Cash Flow Statement for the Year Ended 31st March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	176,344	851,359
Interest paid		<u>(135)</u>	<u>-</u>
Net cash provided by operating activities		<u>176,209</u>	<u>851,359</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(329,071)
Reclassification of lease premium		210,000	-
Interest received		<u>1,565</u>	<u>906</u>
Net cash provided by/(used in) investing activities		<u>211,565</u>	<u>(328,165)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(23,113)</u>	<u>(22,943)</u>
Net cash (used in)/provided by financing activities		<u>(23,113)</u>	<u>(22,943)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>1,510,520</u>	<u>1,010,269</u>
Cash and cash equivalents at the end of the reporting period		<u>1,875,181</u>	<u>1,510,520</u>

The notes form part of these financial statements

Turning Tides Homelessness

Notes to the Cash Flow Statement
for the Year Ended 31st March 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(37,993)	1,205,685
Adjustments for:		
Depreciation charges	124,107	193,298
Interest received	(1,565)	(906)
Interest paid	135	-
Impairment of properties	-	57,074
(Increase)/decrease in debtors	(224,963)	72,754
Increase/(decrease) in creditors	316,623	(1,546)
Donation in kind	-	(675,000)
	<u>176,344</u>	<u>851,359</u>
Net cash provided by operations	<u>176,344</u>	<u>851,359</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	<u>1,510,520</u>	<u>364,661</u>	<u>1,875,181</u>
	<u>1,510,520</u>	<u>364,661</u>	<u>1,875,181</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>128</u>	<u>-</u>	<u>128</u>
	<u>128</u>	<u>-</u>	<u>128</u>
Debt			
Debts falling due within 1 year	(22,943)	(170)	(23,113)
Debts falling due after 1 year	<u>(93,936)</u>	<u>23,283</u>	<u>(70,653)</u>
	<u>(116,879)</u>	<u>23,113</u>	<u>(93,766)</u>
Total	<u>1,393,769</u>	<u>387,774</u>	<u>1,781,543</u>

The notes form part of these financial statements

1. GENERAL INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

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

Income

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

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

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

2. ACCOUNTING POLICIES - continued

Income

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

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of direct staff cost at each project.

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

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

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

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

All expenditure is inclusive of irrecoverable VAT.

Interest receivable

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives and is provided as follows:

Freehold property	- 2% straight line
Freehold land	- not depreciated
Option to Buy	- 2.5% straight line
Motor vehicles	- 25% straight line
Building improvements to leasehold properties	- 33.3% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. ACCOUNTING POLICIES – continued

Investments

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

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

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

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

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

Financial instruments

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

Turning Tides Homelessness

Notes to the Financial Statements - continued for the Year Ended 31st March 2022

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	608,154	382,316
Legacies	63,736	10,036
Grants	<u>24,968</u>	<u>166,527</u>
	<u>696,858</u>	<u>558,879</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Government grants	<u>24,968</u>	<u>166,527</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>1,565</u>	<u>906</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Byron, Manor and Lyndhurst £	Recovery Services £	Move on Housing £	Homelessness Services £
Housing Benefit	1,110,333	426,817	1,088,379	-
Housing Support Services	223,632	263,233	85	8,742
Service Charge	47,104	35,562	113,567	10
Grants	114,126	3,304	80,965	1,153,777
Fundraising Events	-	-	-	-
Charitable Trusts	<u>1,584</u>	<u>-</u>	<u>3,541</u>	<u>113,479</u>
	<u>1,496,779</u>	<u>728,916</u>	<u>1,286,537</u>	<u>1,276,008</u>

	Central £	Fundraising £	2022 Total activities £	2021 Total activities £
Housing Benefit	-	-	2,625,529	3,125,051
Housing Support Services	-	-	495,692	498,510
Service Charge	-	-	196,243	224,264
Grants	8,786	4,465	1,365,423	1,355,242
Fundraising Events	-	131,040	131,040	177,179
Charitable Trusts	<u>900</u>	<u>1,000</u>	<u>120,504</u>	<u>110,224</u>
	<u>9,686</u>	<u>136,505</u>	<u>4,934,431</u>	<u>5,490,470</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	2022 Totals £	2021 Totals £
Byron, Manor and Lyndhurst	1,134,073	76,097	1,210,170	1,189,116
Recovery Services	600,014	44,007	644,021	568,688
Move on Housing	1,246,899	46,964	1,293,863	1,000,228
Homelessness Services	1,152,360	90,334	1,242,694	1,126,527
Central	752,469	23,807	776,276	517,559
Fundraising and Volunteering	<u>466,841</u>	<u>36,982</u>	<u>503,823</u>	<u>442,452</u>
	<u>5,352,656</u>	<u>318,191</u>	<u>5,670,847</u>	<u>4,844,570</u>

7. SUPPORT COSTS

	Management £	Governance totals £	2022 costs £	2021 Totals £
Byron, Manor and Lyndhurst	63,322	12,775	76,097	61,305
Recovery Services	31,643	12,364	44,007	41,383
Move on Housing	34,150	12,814	46,964	-
Homelessness Services	75,188	15,146	90,334	30,652
Central	21,122	2,685	23,807	926
Fundraising and Volunteering	<u>23,643</u>	<u>13,339</u>	<u>36,982</u>	<u>18,996</u>
	<u>249,068</u>	<u>69,123</u>	<u>318,191</u>	<u>153,262</u>

Included in governance costs is auditor's remuneration of £10,800 (2021: £10,800).

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	<u>124,107</u>	<u>193,298</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	3,279,117	2,862,872
Social security costs	279,301	231,960
Other pension costs	<u>73,258</u>	<u>62,988</u>
	<u><u>3,631,676</u></u>	<u><u>3,157,820</u></u>

The average monthly number of employees during the year was as follows:

	2022	2021
Total	<u><u>155</u></u>	<u><u>134</u></u>

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

	2022	2021
£60,001 - £70,000	<u><u>1</u></u>	<u><u>1</u></u>

Remuneration and benefits received by key management personnel amounted to £119,606 (2021: £113,907).

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**11. TANGIBLE FIXED ASSETS - continued**

	Freehold property £	Land £	Lease Premium £
COST			
At 1st April 2021	5,318,347	977,124	210,000
Disposals	-	-	(210,000)
At 31st March 2022	<u>5,318,347</u>	<u>977,124</u>	-
DEPRECIATION			
At 1st April 2021	1,063,500	-	-
Charge for year	102,171	-	-
At 31st March 2022	<u>1,165,671</u>	-	-
NET BOOK VALUE			
At 31st March 2022	<u>4,152,676</u>	<u>977,124</u>	-
At 31st March 2021	<u>4,254,847</u>	<u>977,124</u>	<u>210,000</u>
	Improvements to property £	Motor vehicles £	Totals £
COST			
At 1st April 2021	256,703	98,413	6,860,587
Disposals	-	-	(210,000)
At 31st March 2022	<u>256,703</u>	<u>98,413</u>	<u>6,650,587</u>
DEPRECIATION			
At 1st April 2021	256,703	27,767	1,347,970
Charge for year	-	21,936	124,107
At 31st March 2022	<u>256,703</u>	<u>49,703</u>	<u>1,472,077</u>
NET BOOK VALUE			
At 31st March 2022	<u>-</u>	<u>48,710</u>	<u>5,178,510</u>
At 31st March 2021	<u>-</u>	<u>70,646</u>	<u>5,512,617</u>

Included in cost or valuation of land and buildings is freehold land of £977,124 which is not depreciated.

The properties at West Hill Grinstead, being numbers 20, 22 and 24 are held at valuation at the date that the properties were transferred to the charity.

Turning Tides Homelessness

Notes to the Financial Statements - continued for the Year Ended 31st March 2022

12. DEBTORS

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	150,635	122,404
Other debtors	7,750	2,500
Prepayments and accrued income	<u>68,473</u>	<u>76,491</u>
	<u>226,858</u>	<u>201,395</u>
Amounts falling due after more than one year:		
Other debtors	<u>199,500</u>	<u>-</u>
Aggregate amounts	<u>426,358</u>	<u>201,395</u>

The lease premium held on Burgess Hill was surrendered and replaced with a management agreement giving the charity the right to manage the property for a period of up to 40 years for a maximum of £210,000. This will be amortised within the statement of financial activities across the 40 year period.

13. CURRENT ASSET INVESTMENTS

	2022	2021
	£	£
Listed investments	<u>128</u>	<u>128</u>

The market value of listed investments at 31 March 2022 was £128 (2021: £128).

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	23,113	22,943
Trade creditors	101,644	99,441
Social security and other taxes	70,315	-
Other creditors	14,550	12,000
Accruals and deferred income	<u>360,613</u>	<u>119,058</u>
	<u>570,235</u>	<u>253,442</u>

Deferred income arises from grants received in the financial year that also relate to subsequent financial years. At 31 March 2022 total deferred income was £251,517 (2021: £82,975).

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 16)	<u>70,653</u>	<u>93,936</u>

Turning Tides Homelessness

Notes to the Financial Statements - continued for the Year Ended 31st March 2022

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>23,113</u>	<u>22,943</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>70,653</u>	<u>91,770</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	-	2,166

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

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	106,998	79,071
Between one and five years	<u>63,917</u>	<u>122,461</u>
	<u>170,915</u>	<u>201,532</u>

Turning Tides Homelessness

Notes to the Financial Statements - continued for the Year Ended 31st March 2022

18. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	4,924,880	83,504	354,800	5,363,184
Designated funds - West Hill, East Grinstead	147,873	(91,733)	-	56,140
Designated fund - PRS and Personalisation Budget	10,687	(3,241)	-	7,446
Other general funds	<u>186,000</u>	<u>-</u>	<u>(186,000)</u>	<u>-</u>
	5,269,440	(11,470)	168,800	5,426,770
Restricted funds				
WSCC PHE Capital Funding Scheme	1,155,000	-	-	1,155,000
YMCA	120,000	-	(120,000)	-
Albert Hunt Trust	5,000	(5,000)	-	-
Worthing Borough Council	48,000	-	(48,000)	-
Adur Furniture Network	154,387	-	-	154,387
Dr Chesters Charity	800	900	(800)	900
Ravenscourt	<u>124,655</u>	<u>(22,423)</u>	<u>-</u>	<u>102,232</u>
	<u>1,607,842</u>	<u>(26,523)</u>	<u>(168,800)</u>	<u>1,412,519</u>
TOTAL FUNDS	<u><u>6,877,282</u></u>	<u><u>(37,993)</u></u>	<u><u>-</u></u>	<u><u>6,839,289</u></u>

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,424,620	(5,341,116)	83,504
Designated funds - West Hill, East Grinstead	-	(91,733)	(91,733)
Designated fund - PRS and Personalisation Budget	-	(3,241)	(3,241)
	<u>5,424,620</u>	<u>(5,436,090)</u>	<u>(11,470)</u>
Restricted funds			
Albert Hunt Trust	-	(5,000)	(5,000)
The Big Lottery funding	205,334	(205,334)	-
Dr Chesters Charity	900	-	900
Ravenscourt	-	(22,423)	(22,423)
Bus Fund	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
	<u>208,234</u>	<u>(234,757)</u>	<u>(26,523)</u>
TOTAL FUNDS	<u><u>5,632,854</u></u>	<u><u>(5,670,847)</u></u>	<u><u>(37,993)</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	4,348,388	539,292	37,200	4,924,880
Designated funds - West Hill, East Grinstead	185,073	-	(37,200)	147,873
Designated fund - PRS and Personalisation Budget	11,387	(700)	-	10,687
Other general funds	<u>186,000</u>	<u>-</u>	<u>-</u>	<u>186,000</u>
	4,730,848	538,592	-	5,269,440
Restricted funds				
WSSC PHE Capital Funding Scheme	480,000	675,000	-	1,155,000
YMCA	120,000	-	-	120,000
Albert Hunt Trust	-	5,000	-	5,000
Worthing Borough Council	48,000	-	-	48,000
Adur Furniture Network	154,387	-	-	154,387
Dr Chesters Charity	800	-	-	800
Ravenscourt	136,157	(11,502)	-	124,655
Compass bus grant	750	(750)	-	-
Pier Window	<u>655</u>	<u>(655)</u>	<u>-</u>	<u>-</u>
	<u>940,749</u>	<u>667,093</u>	<u>-</u>	<u>1,607,842</u>
TOTAL FUNDS	<u><u>5,671,597</u></u>	<u><u>1,205,685</u></u>	<u><u>-</u></u>	<u><u>6,877,282</u></u>

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,007,897	(4,468,605)	539,292
Designated fund - PRS and Personalisation Budget	-	(700)	(700)
	<u>5,007,897</u>	<u>(4,469,305)</u>	<u>538,592</u>
Restricted funds			
WSCC PHE Capital Funding Scheme	675,000	-	675,000
MEAM	66,788	(66,788)	-
Albert Hunt Trust	5,000	-	5,000
The Big Lottery funding	294,770	(294,770)	-
Dr Chesters Charity	800	(800)	-
Ravenscourt	-	(11,502)	(11,502)
Compass bus grant	-	(750)	(750)
Pier Window	-	(655)	(655)
	<u>1,042,358</u>	<u>(375,265)</u>	<u>667,093</u>
TOTAL FUNDS	<u>6,050,255</u>	<u>(4,844,570)</u>	<u>1,205,685</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**18. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	4,348,388	622,796	392,000	5,363,184
Designated funds - West Hill, East Grinstead	185,073	(91,733)	(37,200)	56,140
Designated fund - PRS and Personalisation Budget	11,387	(3,941)	-	7,446
Other general funds	<u>186,000</u>	<u>-</u>	<u>(186,000)</u>	<u>-</u>
	4,730,848	527,122	168,800	5,426,770
Restricted funds				
WSCC PHE Capital Funding Scheme	480,000	675,000	-	1,155,000
YMCA	120,000	-	(120,000)	-
Worthing Borough Council	48,000	-	(48,000)	-
Adur Furniture Network	154,387	-	-	154,387
Dr Chesters Charity	800	900	(800)	900
Ravenscourt	136,157	(33,925)	-	102,232
Compass bus grant	750	(750)	-	-
Pier Window	<u>655</u>	<u>(655)</u>	<u>-</u>	<u>-</u>
	<u>940,749</u>	<u>640,570</u>	<u>(168,800)</u>	<u>1,412,519</u>
TOTAL FUNDS	<u><u>5,671,597</u></u>	<u><u>1,167,692</u></u>	<u><u>-</u></u>	<u><u>6,839,289</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**18. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10,432,517	(9,809,721)	622,796
Designated funds - West Hill, East Grinstead	-	(91,733)	(91,733)
Designated fund - PRS and Personalisation Budget	-	(3,941)	(3,941)
	<u>10,432,517</u>	<u>(9,905,395)</u>	<u>527,122</u>
Restricted funds			
WSCC PHE Capital Funding Scheme	675,000	-	675,000
MEAM	66,788	(66,788)	-
Albert Hunt Trust	5,000	(5,000)	-
The Big Lottery funding	500,104	(500,104)	-
Dr Chesters Charity	1,700	(800)	900
Ravenscourt	-	(33,925)	(33,925)
Bus Fund	2,000	(2,000)	-
Compass bus grant	-	(750)	(750)
Pier Window	-	(655)	(655)
	<u>1,250,592</u>	<u>(610,022)</u>	<u>640,570</u>
TOTAL FUNDS	<u>11,683,109</u>	<u>(10,515,417)</u>	<u>1,167,692</u>

Designated Funds**West Hill**

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

PRS and Personalisation Budget

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

Restricted funds**WSCC PHE Capital Funding Scheme**

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

YMCA Downslink Group

Provision of capital funding for the conversion of a property to shared accommodation. This fund was fully utilised in the year as the criteria for its usage had been fully met.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

18. MOVEMENT IN FUNDS - continued

MEAM

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

Albert Hunt Trust

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

The Big Lottery fund

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

Worthing Borough Council

Empty Homes Grant Funding – to assist with the refurbishment of a property in Worthing for clients to live in shared accommodation. This fund was fully utilised in the year as the criteria for its usage had been fully met.

Adur Furniture Network

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

Dr Chester's Charity

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

Ravenscourt

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

Compass bus grant

A fund to enable client travel.

Pier Window

To commission a window design on Worthing pier.

19. CONTINGENT LIABILITIES

In the event of the disposal of the property at West Hill, East Grinstead, there may be a requirement to repay the value of the Social Housing Grant, being £186,000, which was awarded to the charity on purchase of the property.

20. RELATED PARTY DISCLOSURES

John Holmstrom is a Director/Trustee in YMCA Downslink Group. In 2016 the charity received a grant from YMCA Downslink Group of £120,000 for use in the redevelopment of 13 Grafton Road. As part of the grant conditions a lease was agreed between Turning Tides and YMCA Downslink Group for the property. During the year Turning Tides received £39,000 in rental income from YMCA Downslink Group (2021: £39,000) and paid £39,000 in rent to YMCA Downslink Group (2021: £39,000).