

Annual Report and Financial Statements 1 April 2016-31 March 2017



Thames Reach Charity

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ANNUAL REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

Introduction

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. Thames Reach is a member of the National Housing Federation, currently operating under the National Housing Federation Model Rules 1997.

The objects of the Association, as described in the Model Rules, 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'.

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

Details of the members of the Board are given on pages 20-22

The Senior Management Team (SMT) consists of:

Jeremy Swain, Chief Executive
Christine Smith-Gillespie, Director of Finance and Central Services
Bill Tidnam, Director of Operations

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: Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

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 former 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 life. 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.

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 men and women to find decent homes, build supportive relationships and lead fulfilling lives.

Prevention and Partnerships

Thames Reach's frontline 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:

1. 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.

2. 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.

3. 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.

4. Integrity of the whole

The success of Thames Reach depends on the integrity of the whole body. We believe passionately in achieving trust and mutual respect between the different parts of the organisation to accomplish this objective.

5. Generous partnerships

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.

6. Open-mindedness

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

7. 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 men and women 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 techniques such as mindfulness and 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 in an organisation 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 20% of the workforce (54 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.



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.

Rough sleepers' services

We manage a number of services for rough sleepers and those involved in a street lifestyle, working directly with rough sleepers every night of the year on the streets of the capital. Our London Street Rescue team provides a service in 14 London boroughs and at Heathrow Airport. Some boroughs with a particularly large number of rough sleepers commission their own bespoke services and Thames Reach has a borough-specific team operating in Croydon and an enhanced London Street Rescue service in Newham and Haringey. Thames Reach's Supporting Tenancies, Accommodation and Resettlement (STAR) team helps rough sleepers across London focusing on larger groups (hotspots) of rough sleepers and people struggling to manage a tenancy.

We began managing 2 new services aimed at rough sleepers on the 1st of April 2017, both commissioned by the Greater London Authority. "Safe Connections" a resettlement team working to rapidly resettle rough sleepers referred by local outreach teams across London into accommodation and a SIB for Rough Sleepers team working with a cohort of 175 rough sleepers with long histories of rough sleeping and complex needs, supporting them to access stable accommodation, health service and training volunteering or employment.

Day services

Thames Reach manages three distinctive day services:

The Employment Academy in Camberwell offers a range of services designed to help the long-term workless, especially those from Southwark and Lambeth, to find and retain work.

In Hackney, we manage the Greenhouse service in collaboration with Hackney Council and NHS North East London and the City. This community resource addresses the housing, employment and health-related needs of socially excluded people in the borough. The Single Homeless Hub that operates from within the Greenhouse brings together staff from the Hackney Housing Options service and Thames Reach support staff to provide a homelessness prevention service.

In Camden, the Spectrum Centre works with socially excluded people from the borough, notably those with substance misuse issues who have experienced periods of rough sleeping.

Accommodation

Thames Reach manages different kinds of accommodation on behalf of Registered Providers (RPs), including high-support frontline hostels, specialist supported housing for people with mental health and substance misuse issues and self-contained flats for people who have been homeless, or are at risk of becoming homeless. The total number of units of accommodation managed by the organisation in partnership with Registered Social Landlords (RSL) as at 31 March 2017 was 349. These were situated in seven different boroughs.

In addition to these schemes, we manage 23 bed-spaces in seven properties leased to Thames Reach which form the Peer Landlord London scheme and have purchased eight self-contained flats as part of an initiative called Brokerage and Resettlement in Lambeth (BRiL) for people moving on from long-term institutional care. 20 flats in total will eventually be occupied under the BRiL initiative.

Thames Reach also provides flexible and responsive tenancy support, often referred to as floating support, to over 1,440 vulnerable people living in their own accommodation across a number of London boroughs, with the aim of preventing homelessness by helping tenants to develop strong support networks, improve independent living skills, increase confidence and find work.

Employment and resettlement services

Our employment and resettlement services are responsible for ensuring that all Thames Reach service delivery teams can support their service users to progress towards settled housing and employment. The work includes direct support to service users to build their skills and confidence, training for staff and service users and the forming of partnerships with external bodies including accommodation providers and employers.

There are a number of services that contribute to achieving our employment outcomes based at the Employment Academy in Camberwell, south London, including the Thames Reach Volunteering and Employment for Life (TRaVEL) programme, which is often the first step for people on the journey towards employment. The Moving in Moving On (MIMO) painting and decorating course is an entry-level programme that forms a strong base from which those completing it can move on to accredited training. Other programmes operating from the Employment Academy, such as Step Up, are designed to assist people already in work to increase their skills and employability. A vast range of partner organisations assist the employment and resettlement service, including Lewisham college, City Lit and also McKinsey, who jointly manage a programme called Work Ready with us, through which participants follow an intensive programme of personal development and skills improvement involving direct engagement with prospective employers.

Health services

Thames Reach provides a range of services, mostly in collaboration with other organisations and bodies which complement our work, designed to help vulnerable and excluded people to manage

and improve their health, with a focus on maximising their choice and offering greater control over the services they receive.

The alliance includes the Lambeth Clinical Commissioning Group, the South London and Maudsley NHS Mental Health Trust (SLaM), Certitude (a charity supporting people with learning disabilities and mental health needs) and social care within Lambeth Council and has been formed to deliver a rehabilitation contract for people returning from hospital and residential care to living in the community.

Thames Reach is also jointly responsible for delivering services through the Lambeth Living Well Network Hub. The Hub offers a new 'front door' for people wanting to access mental health services in the London Borough of Lambeth. It brings together clinical specialists, a team working closely with GPs and a team managed by Thames Reach providing assistance on social and practical issues such as housing, benefits, social support and employment.

Rents

In 2016-2017 the average rent in accommodation managed by Thames Reach was £98.37 (2015-2016: £99.55) per week, excluding personal and service charges.

Business Plan 2016-19

Background to the Business Plan

The Business Plan was developed in consultation with staff at all levels in the organisation, service users and Board members and sets out the strategic direction of Thames Reach. It establishes 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 business priorities for 2016-19 focus on:

- Core business areas where we have a strong track record in delivery
- Illustrating and consolidating the distinctiveness of our service offer
- Achieving a replicable delivery model that avoids becoming overly complex
- Being cost effective without risking our reputation for delivering quality services
- Working in partnership where it can be demonstrated that the partnership enhances the service offer and does not create organisational inefficiencies
- Identifying new areas of unmet need, in response to which we will provide effective solutions.

The Business Plan is structured around four core areas where Thames Reach currently provides services and seeks to develop more projects and programmes during the period of the Business Plan:

1. Services for the multiply disadvantaged
2. Specialist health interventions
3. Community-based employment support
4. Preventative housing interventions.

More information on the 2016-19 Business Plan can be found at:
www.thamesreach.org.uk/about-us/research-reports/business-plan

Delivering the Business Plan objectives: Progress in Year 1

1. Services for the multiply disadvantaged

This Business Plan theme focuses on:

- Responsive street outreach services
- Hostels that can maintain complex individuals and help them address the underlying issues that have led to their homelessness
- Specialist accommodation for people with drug, alcohol and mental health needs
- Tenancy sustainment services for people with wide-ranging needs and chaotic lifestyles.

Street outreach services

Thames Reach has continued to develop its highly effective street outreach services. During 2016-17 our outreach teams helped 1,027 individuals to move off the streets after a period of rough sleeping. Our London Street Rescue services operates in 14 London boroughs including Heathrow airport. During the year we were funded to provide enhanced outreach services in the boroughs of Haringey and Newham.

Working closely with local authorities we supported a number of successful bids to the Department for Communities and Local Government's (DCLG's) Homelessness Prevention Fund which has enabled new services designed to prevent rough sleeping to be set up in Lambeth, Croydon, Lewisham, Greenwich, Haringey and Southwark. These include a service in Lambeth focusing on preventing people in the criminal justice system ending up homeless and resettlement support in Croydon to help people in emergency accommodation avoid a return to rough sleeping. With colleagues at the Greater London Authority (GLA) we have been successful in gaining additional resources to help people sleeping rough on London buses or on underground trains.

We have also been successful in delivering an initiative called the London Homelessness Social Impact Bond (SIB) aimed at helping some of the most long-term entrenched rough sleepers come off the street and into long-term accommodation. The SIB required social investment to fund the team delivering the service as the payment mechanism was based on Payment by Results (PbR) with the most significant payments only being made after an individual had been housed in settled accommodation for a year.

The final outcome payments linked to this programme were received during the year and the programme has now completed. A number of new rough sleeping SIBs are expected to be launched nationally. By the end of the three year programme, of the 415 people that the team was asked to support to escape rough sleeping, 194 were in settled, long-term accommodation and a further 61 people who were not UK nationals had been helped to return safely to their homelands. Just 48 people remained on the street at the end of the programme. The London Homelessness SIB has been thoroughly evaluated by a number of research institutions and the compelling evidence of the success of the approach clearly documented.

During the year Thames Reach's Targeted Rapid Intervention (TRIO) outreach service continued to support rough sleepers living in groups ('hotspots') on the streets or in encampments as well as assisting vulnerable women living in insecure housing situations. The outcomes achieved by the team have been highly impressive and the team has now adapted its service to partner in a new four-year project,

also funded by London Councils, aimed at preventing homelessness across London called Sustaining Tenancies Accommodation and Resettlement (STAR). The project is a partnership with Shelter, St Mungo's and Stonewall Housing.

From inception in 2013 to project completion in 2016, TRIO worked with 2,471 individuals across every London borough. 284 women were given help in avoiding homelessness, 106 people were given support to return safely to their home areas and 242 people were supported to improve their physical and mental health and through registering with a GP, provided with counselling or accessing drug and alcohol services.

More information about TRIO can be found here:

www.thamesreach.org.uk/about-us/research-reports/learning-briefings

Hostels for rough sleepers

Thames Reach manages a number of hostels for rough sleepers across London. We constantly seek to improve both the physical design of the buildings and service provided to hostel residents in response to changing needs and challenges.

Two of our hostels are being upgraded significantly so that, over the next decade, we can offer the best possible service to people with complex needs. Our 69-bed Graham House hostel in Vauxhall will, during the coming year be demolished and rebuilt close by as the site on which it is situated is redeveloped. The new 50-bed hostel, carefully designed in collaboration with the owning Registered Provider, Places for People and the London Borough of Lambeth, will provide larger bedrooms for hostel residents. The design will also give more shared space where activities can take place to prepare residents for moving on from the hostel and from where health and other support services can be delivered.

We have commenced the refurbishment of our Robertson Street hostel for older former homeless men and women in Clapham, south London. Individual rooms will be upgraded to offer en-suite bathroom facilities and more space is being created for health related activities. The refurbishment will include the installation of a gym. The work is being funded by a capital grant provided under the government's Homelessness Change Programme, with the active support of the owning Registered Provider, PA Housing. The intention is that Thames Reach will eventually take ownership of Robertson Street hostel and we are currently exploring developing a Registered Provider subsidiary to enable this to happen.

Working with Romanian migrants living in encampments

We have become increasingly concerned about a particular group of rough sleepers, Romanian migrants who are living in encampments in outer north and east London. This group of rough sleepers is not in need of the help and support that outreach workers traditionally offer as members have low support needs and are living in encampments but working during the day. The work is badly paid, usually 'off the cards' and mostly comprises small scale construction jobs. The migrant workers are able to earn considerably more than they can in Romania. Nonetheless, they are at risk of being exploited and the encampments in which they live are regularly closed down, especially where they have a detrimental impact on local communities.

Thames Reach was able to fund some research into the needs of this group after winning a competition for the best research proposal launched by housing and social justice charity Commonweal. The research by Becky Rice and Ben Sebok resulted in the production of a compelling report, which raised



many issues and provided important information about this group of rough sleepers. This included the risks they face doing unregulated work, the type of accommodation they would be prepared to move into and the amount they would be prepared to pay to for it.

Following the launch of the research, Thames Reach has continued to explore with Commonwealth the possibility of developing some basic accommodation for this group of rough sleepers. Current approaches, which involve the closure of encampments and the displacement of the people to a new camp constructed nearby are not a long-term solution.

The research into the lives of migrant rough sleepers can be found here:
www.thamesreach.org.uk/about-us/research-reports/learning-briefings

Tenancy support

Thames Reach's tenancy support services (often called 'floating support' services) play a vital role in ensuring that people housed in their own self-contained accommodation receive the practical and emotional support required to avoid homelessness and live fulfilling lives. In total Thames Reach supported some 1,400 people in their own accommodation in the community over the year.

During 2016-17, Thames Reach managed floating support services in the boroughs of Brent, Lewisham and Sutton and from April 1st 2016 Thames Reach took on the management of a Tenancy Sustainability Team (TST) tasked with supporting former rough sleepers living in self-contained flats across 16 London boroughs. In addition to helping people maintain their homes, the service also helps people move on into further accommodation such as in the private rented sector. TST staff help service users find employment, develop skills, access health services, and address support needs related to drug and alcohol misuse and poor physical and mental health.

Specialist projects

Thames Reach manages a range of specialist projects for people with specific needs and histories in the areas of alcohol, drugs, mental health and offending. In Greenwich and Lambeth we manage treat-

ment projects for people seeking to address addiction issues where the requirement for being in the accommodation is that they reduce their dependence on substances through attending programmes and undergoing occasional testing to ensure that they are complying with treatment programmes.

Other services such as Thames Reach Wandsworth, Thames Reach Greenwich and Thames Reach Sutton provide accommodation and support over a number of shared houses where support is provided in partnership with, for example, health specialists such as Community Mental Health Teams.

In Westminster and Southwark we manage supported accommodation with teams on site for people with mental health issues. In Lambeth we have a small project for homeless women who have a history of unsettled accommodation and complex support needs.

Fulfilling Lives initiative

Thames Reach is a core member of the Fulfilling Lives partnership covering the boroughs of Lambeth, Southwark and Lewisham. Funded by the Big Lottery, Fulfilling Lives seeks to find new solutions for people with multiple needs. Typically these will be people who have suffered homelessness and are struggling to address deep-seated problems linked to substance misuse and poor mental health.

During the year we have committed time to ensuring that the number of people who can benefit from this important initiative will increase and that the Fulfilling Lives programme supports and complement other work across the three boroughs being undertaken with this group of people with multiple needs, encouraging new approaches and interventions

2. Specialist health interventions

Poor health is both a cause and consequence of homelessness and social exclusion. To address this, Thames Reach delivers a number of specialist health interventions, usually in partnership with other organisations and bodies. We seek to:

- Reach out to marginalised individuals to help them address a health issue such as diabetes or poor mental health
- Deliver effective social and practical support in collaboration with clinical services where we provide the 'mortar' binding together the range of interventions
- Work with health colleagues to disrupt the revolving door scenario of repeat homelessness following the treatment of a health problem.

Lambeth Living Well Hub

The Lambeth Living Well Hub brings together different teams and disciplines to collectively offer a new 'front door' or first point of access, for people wishing to receive mental health services in the borough of Lambeth. The partnership comprises: Thames Reach, Certitude (a charity supporting people with mental health issues and learning disabilities), the South London and Maudsley NHS Foundation Trust (SLaM), the London Borough of Lambeth and Lambeth Clinical Commissioning Group (CCG).

The Hub combines clinical specialists, support to GPs and practical, community-based assistance to address issues such as housing, money management, social connections and increasing skills. This holistic range of interventions aims to help people address their mental health issues at an early stage rather than assistance being provided only at the point when their health has deteriorated far enough for them to be above the threshold for receiving secondary care support when it is often linked with

a hospital admission. Peer support offered by individuals who themselves have experience of using mental health service is an essential part of the service model. The focus is on helping people to recover and stay well, have greater choice and control over the services they receive and to be able to lead their life on an equal footing with others.

During the year, the partnership was successful in a second bid for funding from the Guy's and St Thomas' Charity. This has enabled the Hub to progress its plan to extend its work across the whole of Lambeth with a stronger focus on offering support on a dispersed local level at community venues rather than from the Hub's central base. Pilots to improve the support offered to GPs and Community Mental Health Teams (CMHTs) have commenced and the outcomes of the Hub have continued to exceed expectations. Notably:

- Over 400 people a month are introduced to the Hub for support, with 10% of referrals being self-introductions, a figure we hope will increase further
- There has been a 31% reduction in referrals to secondary care services as a result of successful early intervention by the Hub
- The caseloads of Community Mental Health Teams have reduced by 25% for the same reason
- 146 people who needed additional help have been supported via a programme called GP+ which has enabled them to be supported by primary care services in the community rather than requiring secondary care support.

The Hub is making a considerable contribution to a significant change in the delivery of services in Lambeth, shifting the system away from a low volume, high cost approach to patient care to a high volume, low cost response empowering people to access help earlier and on their terms.

Integrated Personalised Support Alliance (IPSA)

The collaborative relationships built up through developing the Living Well Hub and other community based services paved the way for the inception of a formal alliance comprising Thames Reach, Certitude, SLaM, Lambeth CCG, and Lambeth social care (as commissioner and delivery partner) to manage a rehabilitation contract for, initially, 200 people returning to living in the community setting from hospital and residential care. Commencing operation in April 2015, the IPSA provides a range of complementary support through an Alliance Rehabilitation Team comprising voluntary sector staff, social workers, nurses, occupational therapists and consultant psychiatrists. Support on offer includes medication support, talking therapies, practical assistance to resolve benefit issues, improve daily living skills and help to move into accommodation in the community. The IPSA assists people to develop effective support structures, enabling them to maintain themselves in the community, be less dependent on secondary care services and avoid admission to hospital. Peer supporters who have used mental health services are an integral part of the support package on offer.

During 2016-17, the IPSA has made considerable progress, successfully identifying alternatives to in-patient admission to hospital and reducing admission rates to rehabilitation wards in Lambeth hospital. In-patient rehabilitation placements have been reduced by 79% through developing community alternatives, entry into residential care has decreased by 43% and an in-patient rehabilitation ward at Lambeth hospital was closed as a rehabilitation ward through the successful placement of patients in less institutional settings and interventions that made access to the ward bed-spaces in the first place unnecessary. So far the IPSA has achieved a 20% saving (£2.5 million) on the original budget figure.

The success of the IPSA has led Lambeth CCG and the local authority to explore the possibility of extending the ground-breaking alliance approach to delivering services to cover the full range of men-

tal health services they currently commission. The commissioners have now announced their intention to pursue an alliance contract arrangement for mental health investments across Lambeth, currently totaling £69 million with a view to an alliance contract being in place from April 2018. Thames Reach is eager to continue playing a key role with partners in delivering more effective, personalised mental health services in the borough as part of an alliance.

BRiL

As part of the alliance approach, new forms of supported accommodation have been developed and people in residential care placements who do not require the level of care provided in this setting have been assisted to move to alternative, less institutional accommodation or back home with appropriate support put in place. One such option that has been developed by Thames Reach is the Brokerage and Resettlement in Lambeth (BRiL) scheme through which 20 self-contained flats are being purchased (nine so far bought) in Lambeth for people moving out of hospital or residential care who, with an appropriate, tailored support package, can live successfully in the community. The BRiL programme has been given substantial grant support by the Monday Charitable Trust and loans assistance to enable the purchase of the first tranche of flats.

Psychology in Hostels (PIH)

In 2014-15, Thames Reach embarked on a challenging reshaping of the model through which residents of our Waterloo Project hostel in the London Borough of Lambeth received support. The initiative involved a very different approach to working with the resident group, many of whom have been rough sleeping for years and have suffered acute deprivation and significant trauma from an early age. The partnership with Lambeth and the South London and Maudsley NHS Foundation Trust (SLaM) involved two psychologists working full time within the hostel alongside hostel support workers, helping residents to explore the experiences that contributed to their homelessness and to break the cycles of negative behaviour that trapped them in rough sleeping. The objective was to develop what was termed a Psychologically Informed Environment (PIE).

Following evaluation of the first phase of the PIE initiative which evidenced significant improvement in the physical and mental health of residents and reductions in ineffectual use of A&E, additional funding was provided by the Guy's and St Thomas' Charity to roll out the PIE approach in other Thames Reach projects.

Now called the Psychology in Hostels (PIH) project, we have now rolled out the approach to our Graham House hostel in Vauxhall, south London. Our latest figures show that 91% of residents have therapeutic contact with psychology and psychiatry professionals and 48% engage in formal group or 1:1 therapy. At our Waterloo Project, 83% of residents have therapeutic contact with psychologists and 61% engage in direct formal group or 1:1 support. The service continues to demonstrate notable benefit to service users' mental health functioning, service engagement, physical health improvement, meaningful use of time, move-on and development of independent living skills.

A peer mentor service has been developed to support the PIH comprising people with a lived experience of using mental health services. The service is currently working with 43% of all hostel residents and additional peer mentors have recently been recruited to extend the service.

This work has substantially contributed to the evidence-base of 'what works' with this population and achieved notable outcomes in mental health, substance misuse and reducing rough sleeping, emergency service and criminal justice contact.

3. Community-based employment support

For a number of years the organisation has given a high priority to helping people improve skills to maximise their chances of finding employment and participating on an equal footing in community life. Our focus has been on:

- Developing our Employment Academy in Camberwell, south London to meet the needs of the local community and specifically to help those people most distant from the job market to increase their skills, confidence and self-esteem
- Working in partnership with other voluntary sector organisations, business partners and local authorities to increase employability and reduce social isolation.

Employment Academy

The Employment Academy is a flagship employment hub in the heart of south London which helps the long-term unemployed of London, especially people living in Southwark and Lambeth, to find and sustain work. It is also a general community resource with space available for use by local groups and organisations and a vibrant café operates from the site, open to the wider community.

Up to 1,800 people use the Employment Academy every month with a number of partner organisations offering services from the building including:

- PACT which works with people affected by imprisonment and their families
- Toucan, an organisation supporting people with learning disabilities
- The Southwark Wellbeing Hub, managed by Together UK which supports people with mental health issues to lead independent, fulfilling lives in the community
- Leonard Cheshire Disability which assists people with disabilities through providing information, advice and guidance in areas such as benefits, mobility, housing and employment.

The services offered by Thames Reach from the Employment Academy include volunteering programmes, peer support, numeracy, literacy and IT support, assistance to people in work seeking to increase their salary and improve their employability, a painting and decorating course and accredited training supported by City Lit. As a community resource the Employment Academy provides space at the weekend for local faith groups and is regularly booked for wedding receptions. We are delighted by the many ways in which it has become a valuable community resource.

Over 2016-17, we have continued to extend the range of projects delivered at the Employment Academy, dedicated to helping people increase their skills, confidence and employability. These include:

iReach, a programme funded by the Worshipful Company of Information Technologists which offers people with little or no computer skills the opportunity to learn at their own pace. Each session involves tailored support and mentoring provided by Thames Reach staff and volunteers and, this year, the iReach service has also been taken outside of the Employment Academy and delivered at different accommodation projects across Thames Reach and in people's own homes. Between January 2016 and May 2017, 220 people attended iReach sessions with 30 going on to enroll and complete accredited digital skills courses organised by partners City Lit.

Jumpstart employment support service, a new service which commenced in 2016-17, funded by housing association L&Q, to help 360 L&Q residents living in supported accommodation over nine London boroughs through offering advice, training, workshops and volunteering opportunities.

Step Up, a programme jointly run by Clean Slate Training & Employment with Thames Reach and funded by the Walcot Foundation and Trust for London which aims to support low pay workers on the London Living Wage to increase their salaries and improve their working situation. Step Up can also notify people of job vacancies, training opportunities and networking events.

Moving in Moving On (MIMO), Thames Reach's painting and decorating training course for long term unemployed, homeless, and vulnerable men and women which, during the year, was able to expand by offering longer and more regular programmes throughout the year as a result of receiving additional funding from the Maria Marina Foundation, Heart of Experian and the Westminster Foundation. During 2016-17 MIMO extended its course offer to deliver women-only courses.

Go On Southwark, a digital support service for the local community developed in partnership with the London Borough of Southwark, Go On Southwark work with Tenants' Associations in the borough to train up volunteers from the Tenants' Associations to help local people improve their digital skills. The service also focuses on particular groups to which it offers tailored support including the deaf community and the traveller communities.

The **Work Ready Programme**, developed with McKinsey which aims to help service users increase their skills and employability through an intensive week of engagement during which service users experience a range of interventions and support to help them increase their confidence and skills. The week usually starts with the group going on a residential weekend at a centre outside London where they are involved in various team building and skills development exercises. This is followed by a week of workshops and events in which people undertake group-work and receive one-to-one support to improve their CV writing and approach to interviews. There are visits to different companies and organisations to get some experience of different work settings and the week culminates in a graduation ceremony. During the year four programmes were run with a total of 114 service users attending, supported by range of different partners.

An accredited **entry-level maths and English course** run in partnership with Lewisham and Southwark college aimed at people at an early stage in increasing their skills and knowledge.



The **Reading Group**, which is open to people of all reading abilities, which helps people increase their confidence and skills in the area of literacy and numeracy.

More information on the skills programmes delivered at Thames Reach can be found here.
www.thamesreach.org.uk/about-us/research-reports/learning-briefings

4. Preventative housing interventions

We are determined to do everything we can to help people avoid the misery of homelessness and poor housing and we work collaboratively with partners to deliver programmes and initiatives to prevent homelessness and help people sustain their accommodation and lead fulfilling lives.

Currently our particular focus is on developing models of intervention in partnership with local authorities, health colleagues, landlords and others that maximize people's chances of retaining their accommodation and ability to sustain themselves without needing continual, ongoing support from specialist agencies.

Vital Regeneration

We were delighted to be selected by the Board of Vital Regeneration as the organisation with which Vital Regeneration wanted a formal partnership. Following negotiations and appropriate due diligence, Vital Regeneration became a subsidiary of Thames Reach from March 1st 2017.

Vital Regeneration focuses primarily on employment and skills development and works with households who have been accepted by the City of Westminster as being statutorily homeless. These households are predominantly single-parent households, usually women-led, with a significant proportion being from ethnic minorities. Vital Regeneration achieved some excellent outcomes through its Homeless Employment and Learning Programme (HELP), engaging with 146 households made up of 496 people in 2015-16.

Vital Regeneration's focus on employment and preventative housing solutions meshed well with Thames Reach's priorities. Change in approaches to homelessness prevention are blurring the line between non-statutory and statutory homelessness and the partnership offered an excellent opportunity for us to undertake more work with families facing homelessness.

Vital Regeneration was successful with a funding application to the European Union Programme for Employment and Social Innovation (EaSI). The EaSI programme funding enables five Personal Case Handlers to work within Westminster Housing Options. They are part of a multi-disciplinary team working with service users in temporary accommodation who are waiting to be rehoused as well as new households approaching Westminster's One Stop Shop as a result of housing and financial problems.

The expertise of the Vital Regeneration staff who have transferred to Thames Reach and the excellent reputation of the organisation gives us great confidence that we can continue to develop effective models of homelessness prevention across London, with a strong emphasis on helping people find and sustain employment.

Hackney Single Homeless Hub

Thames Reach provides housing focused support at the Greenhouse Walk-in service in central Hackney, working closely with colleagues from Hackney Council and NHS North East London and the City.

Seeing on average 1,000 people every year, the Greenhouse engages with those most hard to reach in the local community, people who are experiencing homelessness, rough sleeping and need some extra support. In 2015, an opportunity for further service integration was identified by Hackney Council and Thames Reach. Up until this point, the council's housing advice team and Thames Reach staff worked from different locations but found they were working on a number of occasions with the same clients. Each service offered expertise in different areas and the benefit of joining together was easily justified as a best practice opportunity that could reduce the chances of duplication of work.

The Greenhouse is well known to both service users and voluntary and community organisations across the borough and it was the natural base from which to run the integrated service. It also benefited from not being perceived as a council office and was therefore a more approachable place for vulnerable service users.

From September 2015, officers from Hackney Council's housing advice team were situated permanently at the Greenhouse. This placed all the experts under one roof, offering a complete advice service encompassing the best practice of Thames Reach, the NHS and Hackney Council. This new model which we called the Single Homeless Hub was the first of its kind in London.

During 2016-17 this new way of integrated working was developed, monitored and disseminated. The early results have been extremely encouraging. In the 12-months to September 2016:

- 1414 people were given advice and assistance on a range of issues covering housing, debt management, health and access to specialist services
- 261 people were assisted to find accommodation or helped to retain their accommodation through conciliation
- 159 people were helped to access specialist support for substance misuse issues.

The Single Homeless Hub pilot has received attention as an effective prevention model and Thames Reach will seek to replicate the service elsewhere with partners, particularly as the new Homelessness Reduction Act places further responsibilities on local authorities to provide support to people at risk of homelessness even where they are unlikely to have a statutory right to accommodation.

Peer Landlord London

Thames Reach has sought to develop shared housing models that are innovative, flexible and respond to the changing needs of our service users. Working collaboratively with our partners Commonweal, the Peer Landlord London model of shared housing for people in work or close to employment has continued to offer an excellent opportunity for people who are in work and on low incomes. Around 70% of the tenants have previously been street homeless, indicating that the project is benefiting people who have suffered extreme forms of homelessness.

The element of informal support provided by one of the tenants, the peer landlord, who has special responsibility for managing the house and giving advice and guidance to the other tenants makes this form of housing especially distinctive and has contributed to its success.

In June 2016 a summary report was produced reviewing the progress of the initiative after three years of operation. It showed that of the 21 Thames Reach tenants living in the seven houses, 86% were in employment, training or education, a figure that substantially surpasses the figure for more orthodox supported housing. The occupancy level was 98% and, in total, 45 people had occupied a Peer Landlord house over the three-year period of the pilot. 82% of tenants had previously been homeless.



More on Peer Landlord London, including the summary evaluation report, can be found at: www.commonwealhousing.org.uk/our-projects/peer-landlord-london

5. Equipping the organisation to deliver the 2016-19 Business Plan

In order that Thames Reach can deliver the ambitious outcomes described in the Business Plan it must be financially robust, have proper structures and processes in place, a flexible and highly competent staff group and the highest standards of governance. During the year, there was notable progress in the following areas.

Financial resilience

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 SIB has enabled us to attract further investment loan investment to purchase flats under our BRiL programme (see page 13). 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 ploughed back into other services and initiatives across the organisation.

We have been able to attract capital funding to enable us to upgrade our Robertson Street hostel (see page 9) and were given further support in ensuring this refurbishment was of the highest standard and did impact on our reserves by a generous grant from a supportive trust.

Supporting staff

Our committed and competent workforce deserve an environment in which they 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 and considerably over-subscribed.

Thames Reach provides tailored support for managers, with 12 enrolling on an Institute of Leadership and Management (ILM) award during the year, our second experience of the programme. We are now embarking on a third year of the ILM programme as it brings real value to developing competent and committed managers. Two managers successfully completed the London Housing Foundation Leadership and Management Programme delivered by the University of the South Bank.

Governance

During the year we were set the considerable challenge of replacing Thames Reach's highly regarded Chair, Ken Olisa. Following an external recruitment process and interviews that involved both the Board and service users, we were delighted that Stephen Howard agreed to accept the role of Chair of Thames Reach. Stephen has a long and enduring interest in homelessness and wonderful track record in actively supporting people from disadvantaged backgrounds to find employment. Until recently he was the Chief Executive of Business in the Community and has worked for many years at the most senior level in the business sector. We were pleased that Ken Olisa agreed to maintain his links with Thames Reach by accepting the role of Honorary President.

We also welcomed on to the board during the year Elizabeth Clowes who brings with her invaluable experience in the area of health service commissioning and delivery as well as a considerable knowledge of homelessness and a deep commitment to tackling and reducing rough sleeping.

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 make sure 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. During the year, we were pleased to be able to host a visit to our Employment Academy base by the Prime Minister Theresa May, accompanied by the Secretary of State for Communities and Local Government Sajid Javid. The Prime Minister and Communities Secretary spoke with a group

of Thames Reach staff, a number of whom had been homeless in the past and then met with some of the trainees on a painting and decorating programme taking place at the Employment Academy. We are currently working with the Communities Secretary along with other homelessness charities to help develop a strategy to end rough sleeping.

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.

On an international level we actively support the work of the Institute of Global Homelessness (IGH), a collaboration of not-for-profit organisations that is seeking to quantify homelessness on an international scale and set in place a plan to end street homelessness across 150 world cities by 2030.

During the year we have continued to actively campaign to raise awareness of the damage caused by super-strength alcoholic drinks which are having a brutally detrimental impact on the health of vulnerable people. In partnership with the Alcohol Health Alliance we held an event at the House of Commons to highlight the damage caused by high strength white ciders. The stars of the event were two Thames Reach volunteers, both recovered drinkers, who spoke candidly about the impact of these drinks on their health and wellbeing. The event was hosted by David Burrowes MP and timed to influence the budget. We were partially successful as the Chancellor has agreed to consult on whether a new duty band to include white ciders could be introduced which would have the effect of increasing the price of these drinks. This would reduce their popularity and availability and provide an opportunity to help people move to lower strength brands as a step towards abstinence.

We hosted a visit by the Home Office Minister Sarah Newton to our Graham House hostel to hear about how we support people with drug and alcohol problems. This visit arose from our productive relationship with the Drugs and Alcohol Team within the Home Office that has developed over a number of years. The minister met a number of our partners including the SLaM psychologists who provide the therapeutic support in the hostel and our Lambeth commissioner.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board Members 2016/2017

All of the Board members listed below served throughout the year. None of the Board has any beneficial interest in the organisation. No non-executive Board member claimed expenses and no senior staff were remunerated for their work on the Board.

Ken Olisa OBE
(Chair)
Resigned October 2016

Chairman, Restoration Partners
Chairman, Thebes Group
Chairman, Outsourcery plc
Chairman, Independent Audit
Chairman, Shaw Trust
Chairman, Powerlist Foundation
Non-Executive Director Thomson Reuters Corporation
Non-Executive Director, Thomson Reuters Foundation
Non-Executive Director, Institute of Directors
Past Master, Worshipful Company
of Information Technologists
HM Lord Lieutenant of Greater London
First elected AGM 1993

Stephen Howard (Chair) <i>Appointed October 2016</i>	Chairman, Power to Change Chairman, National Schools Partnership Chairman, Thames Reach Chairman, Anthemis Institute Trustee, Big Society Trust Director, Big Issue Social Investments Limited Trustee, American International Church Director, Thanda UK
Vasim Ul Haq BA ACMA FCA (Vice Chair)	Advisory Partner, Wilkins Kennedy LLP First elected AGM 2001
Brigid Sutcliffe <i>Resigned January 2017</i>	Partner, Telos Partners LLP Chartered Accountant First elected January 2005
Peter Davey	Housing and Charity Consultant CIH Member Board Member, Stonewall Housing Association Trustee, Edward Carpenter Community Trust First elected AGM 1988
William Flenley QC	Barrister and writer specialising in professional negligence, insurance, contract and property law Chairman, Professional Negligency Bar Association Bencher, Middle Temple First elected AGM 2001
Crispin O'Brien	Chartered Accountant Former KPMG partner Senior adviser to NEF consulting First elected May 2007
Jeremy Swain *	Chief Executive and Company Secretary, Thames Reach Appointed 1 February 1999
Tony McBrearty	Regeneration Consultant First elected AGM 1986
Joanna Wade	Thames Reach Chair of Governance Committee and Senior Independent Director Former trustee of Crisis Employment Judge First elected AGM 1996
Michael Scorer	Thames Reach Chair of Services Committee Independent Management Consultant, in health, housing and social care. Previously: Director in health, housing and social care,

in London boroughs and for the NHS.
 DCLG deputy director of housing and vice chair of
 Mayor of London's delivery board.
 First elected AGM 2011

Caroline Tulloch

Thames Reach Chair of Finance, Auditing,
 and Fundraising Committee
 Investment Director, Bridges Ventures (investing in social
 enterprises to support growth and scale impact)
 First elected AGM 2014

David Ford

Founder, Expert Link
 Previously Board Member South London YMCA
 Consultant and Trainer to the Voluntary Sector
 Salvation Army Homeless Services Coordinator Croydon
 First elected November 2015

Elizabeth Clowes

Independent Consultant for Health, Social Care and Public
 health commissioning
 Formerly Assistant Director for Commissioning in London
 Boroughs and the NHS
 Fellow for Mental Health and Social Care, Pathway
 Homeless healthcare

*** Executive Salaries**

Jeremy Swain, Chief Executive £87,386.

Due to the recessionary pressures facing Thames Reach and the need to achieve savings which have affected salary levels across the organisation, all the Senior Management Team at Thames Reach have taken a voluntary salary sacrifice which started in 2011-12 and remains in place.

In addition, the members of the Senior Management Team did not accept the cost of living increase awarded to staff in 2016/2017. The ratio between the Chief Executive salary and Thames Reach trainees and apprentices is 1:5.

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. Board members were elected by the shareholders at the AGM, one third of members retiring and being re-elected by rotation each year. 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 Senior Independent Director (SID) on the Board who has a special responsibility for ensuring that the Chair is accountable to the Board. The Board also undertakes the occasional appraisal undertaken by an external consultant. Thames Reach's appraisal processes are set out in the Board Appraisal Strategy.

The Board strives to ensure that its membership reflects wider society and is diverse in both profile and background. It endeavours to operate according to equal opportunities and diversity principles which are encapsulated in Thames Reach's Policy Statement on Equality and Diversity (see page 24)..

The Work of the Board

Ken Olisa OBE resigned as the Chair of the Board of Trustees and is now the Honary President of Thames Reach. The new 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 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 discuss the Business Plan and to engage the Board to get a full understanding of the opportunities and risks arising from a turbulent operating environment. Board members started the away-day by visiting different Thames Reach projects in order to remind themselves of the challenges facing our teams on the ground. They also completed and discussed the overall Board appraisal.

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 that has now entered its tenth year
- Health and safety reports which are submitted to the Governance and Services Committees on a quarterly basis for scrutiny, with a full 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.

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 four occasions during the year. Caroline Tulloch chaired the committee and the other Board members on the committee were Crispin O'Brien, Vasim Ul Haq and Jeremy Swain.

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 and insurance requirements for the organisation.

During the year, the committee scrutinised the quarterly accounts, quarterly fundraising reports, approved the final accounts and shareholders' report and recommended the annual budget. The commit-

tee routinely scrutinises the financial risk analysis at each meeting before it reaches the full Board. The committee also gave particular attention to the finances of the Thames Reach Employment Academy, voids, arrears and bad debts 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 Brigid Sutcliffe, David Ford, Elizabeth Clowes and Jeremy Swain. Services committee meetings are attended by Service User Advisors – Thames Reach service users who acts as an adviser through direct experience of using services.

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 and Jeremy Swain.

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 the new Chair
- Reviewing the annual health and safety report and making recommendations to the Board on issues arising from it
- Overseeing changes required after Thames Reach registered with the Charity Commission and becoming a company limited by guarantee and the form of serious incident reporting to the Charity Commission.

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 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.

Health and Safety and Wellbeing

It is Thames Reach's policy to energetically fulfill 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, 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 and is specifically provided through the Thames Reach cycle scheme and childcare voucher scheme. All local health and safety representatives across the organisation are supported to acquire a Foundation Certificate in Health and Safety and they attend briefings held during the year. 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.

Further Information

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

Follow Thames Reach on Twitter *@ThamesReach*.

FUTURE PLANS

Future plans – 2017-18

An annual work programme has been agreed to provide structure and achieve the delivery of Business Plan objectives.

The core business areas established in the Business Plan where we will seek to make progress during 2017-18 are:

Services for the multiply disadvantaged

- Extend the number of local authorities in which we provide our core services
- Campaign for, and help deliver, an initiative to help more people with mental health issues escape street homelessness
- Develop a strategy to reduce and then end rough sleeping that is deliverable over a short time-

- scale, working with central, regional and local government and other homelessness charities
- Grow our peer advocacy services and evaluate their effectiveness
- Complete the upgrade our Robertson Street hostel for former rough sleepers
- Support the development of a Housing First housing and support model in the UK
- Using the evidence from our research into the needs of Romanian migrants living in encampments, seek accommodation and employment solutions for them
- Improve the amount of positive moves from our hostels.

Specialist health interventions

- Deliver on the proposed extension of the Lambeth Integrated Personalised Support Alliance (IPSA) to become the Lambeth Living Well Network Alliance.
- Ensure the continued success of the Living Well Network Hub
- Address the high mortality rates of our service users, notably those who have slept rough.

Community-based employment support

Review the performance of service teams across the organisation in achieving learning and employment outcomes and set new targets to help more people find and sustain employment.

Preventative housing interventions

- Develop new housing models that enable people to live contented and settled lives through piloting shared accommodation models and reviewing our approach to finding accommodation in the private rented sector
- Work with local authority Housing Options teams and other partners to develop a homelessness prevention prototype so that more people can avoid homelessness.

Equipping the organisation to deliver the 2016-19 Business Plan

- Undertake an organisation-wide investigation into areas of unmet need and seek funding from trusts and corporate supporters to address unmet need
- Upgrade our external and internal websites
- Review our quality assurance, auditing and compliance processes
- Develop a Registered Provider subsidiary in order to take ownership of Robertson Street hostel.

REVIEW OF THE FINANCIAL POSITION

The Statement of Financial Activities shows total incoming resources of £15,821,934 a small increase on last year of less than 1%. The Resources expended £15,595,523 were also stable on the position 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 2016/2017 the key work was 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 have increased the use of volunteers and continue our work with paid Grow trainees, individuals who have experienced homelessness, as well as working with university interns. We have continued to work with the Lambeth Health Alliance and the Lambeth Living Well Collaborative with assistance from Guys and St Thomas' Charity. We have also continued to develop our programme for housing in Lambeth – Brokerage and Resettlement in Lambeth (BRIL).

Thames Reach does not own the hostels and flats that it manages but does own the Employment Academy and the Hudson and Elmfield site as well as one floor of an office building in Vauxhall. We are

working to maximise our use of these buildings to help funding 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.

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 consider 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 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.

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.

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.

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; and
- 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 safeguard-

ing 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.

Auditor

A resolution proposing that Moore Stephens LLP be reappointed as auditor of the organisation will be put to the Board of Trustees.

On behalf of the Board



Jeremy Swain

Board Member and Chief Executive

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THAMES REACH CHARITY

We have audited the financial statements of Thames Reach Charity for the year ended 31 March 2017 which comprise the consolidated statement of financial activities, the consolidated and parent Balance Sheets, the consolidated cash flow statement and the related notes. 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), including Financial Reporting Standard 102 (FRS 102), the reporting standard in the UK and Republic of Ireland.

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.

Respective responsibilities of the Management Committee and the auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charity 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.

We have been appointed auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2017 and of the group 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 and proper 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.

Philip Clark (Senior statutory auditor)
for and on behalf of MOORE STEPHENS LLP
Chartered Accountants and Statutory Auditor
London, UK

STATEMENT OF FINANCIAL ACTIVITIES

Thames Reach Charity

Consolidated Statement of financial activities for the year ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income					
Income from charitable activities					
Accommodation services	2	7,380,437	20,434	7,380,871	8,584,887
Support activities	3	3,882,815	807,870	4,690,785	4,458,873
Pathways to occupation	4	1,341,873	2,300,430	3,732,403	2,882,434
Investment income		8,875	-	8,875	17,421
Total income		12,584,200	3,227,734	15,821,934	15,753,195
Expenditure					
Cost of raising funds		122,488	30,183	152,689	164,580
Charitable activities		12,288,113	3,144,741	15,442,854	15,584,074
Total expenditure	5	12,420,589	3,174,924	15,595,523	15,748,634
Net incoming resources before transfers		173,601	52,810	226,411	4,581
Transfers between funds	14	(182,281)	182,281	-	-
Net movement in funds		11,340	215,071	226,411	4,581
Fund balances at 1 April 2016		7,010,810	3,780,284	10,791,074	10,786,513
Fund balances at 31 March 2017		7,022,150	3,995,335	11,017,485	10,791,074

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.

BALANCE SHEET

Thames Reach Charity

Balance sheet at 31 March 2017

	Notes	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Non-current Assets					
Tangible assets	9a	8,462,838	7,791,689	8,462,832	7,791,689
Investments	9b	45,891	-	-	-
		<u>8,508,729</u>	<u>7,791,689</u>	<u>8,462,832</u>	<u>7,791,689</u>
Current assets					
Debtors	10	2,884,896	2,238,318	2,675,830	2,238,318
Cash at bank and in hand		4,791,297	5,217,808	4,143,276	5,217,808
		<u>7,676,193</u>	<u>7,456,126</u>	<u>6,819,106</u>	<u>7,456,126</u>
Current liabilities					
Provision for doubtful debts	11	(4,482,553)	(4,456,725)	(4,262,853)	(4,456,725)
		<u>3,193,640</u>	<u>2,999,401</u>	<u>2,556,253</u>	<u>2,999,401</u>
Total assets less total liabilities, being net assets	16	<u>11,611,585</u>	<u>10,791,100</u>	<u>11,017,485</u>	<u>10,791,100</u>
Funds					
Share capital	13	-	26	-	26
Restricted funds	14	<u>4,185,188</u>	<u>3,780,264</u>	<u>3,935,335</u>	<u>3,780,264</u>
Unrestricted funds:					
Designated funds	15	6,246,548	6,205,410	6,246,548	6,205,410
General funds		<u>1,259,767</u>	<u>805,400</u>	<u>775,602</u>	<u>805,400</u>
Total Restricted and Unrestricted funds		<u>11,611,585</u>	<u>10,791,074</u>	<u>11,017,485</u>	<u>10,791,074</u>
		<u>11,611,585</u>	<u>10,791,100</u>	<u>11,017,485</u>	<u>10,791,100</u>

These financial statements were approved by the Board on 29 November 2017 and authorized for issue and were signed on its behalf by:

S. Howard
Chair

C. Tulloch
Treasurer

CASH FLOW STATEMENT

Thames Reach Charity

Cash flow statement for the year ended 31 March 2017

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Net cash inflow from operating activities	(123,635)	1,382,328	(134,328)	1,382,328
Capital expenditure and financial investments				
Payments to acquire tangible fixed assets	(948,181)	(1,441,208)	(948,181)	(1,441,208)
Cash and cash equivalents from new subsidiary	708,457	-	-	-
Other Net Assets acquired by group	(51,861)	-	-	-
Cash outflow from financing activities	(25)	(250,000)	(25)	(250,000)
Increase/(Decrease) in cash	(487,065)	(308,840)	(1,074,532)	(308,840)
Reconciliation to changes in resources				
Net income before transfers	226,411	4,581	226,411	4,581
Loss on assets written off	1,956	-	1,956	-
Depreciation of tangible fixed assets	267,892	255,481	267,892	255,481
(Increase)/Decrease in debtors	(645,788)	(754,187)	(436,712)	(754,187)
Increase/(Decrease) in creditors	25,874	1,578,481	(193,873)	1,578,481
	(123,635)	1,382,328	(134,328)	1,382,328
Net cash inflow from financing activities				
Repayment long-term loans	(25)	(250,000)	(25)	(250,000)
	(25)	(250,000)	(25)	(250,000)
Reconciliation of net cash flow				
(Decrease)/Increase in cash	(515,811)	(308,840)	(1,074,532)	(308,840)
Balance at 1 April 2016	5,217,888	5,528,748	5,217,888	5,528,748
Balance at 31 March 2017	4,701,997	5,217,808	4,143,276	5,217,808

NOTES TO THE FINANCIAL STATEMENTS

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017

1. 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 2016) - (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) 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 Vital Regeneration Limited was effective from 1 March 2017. Vital Regeneration Limited has been included in the group financial statements using the purchase method of accounting. Vital Regeneration Limited has a year-end date of 31 December 2018 and these figures have been included in the Consolidated Balance Sheet.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017

1. Accounting policies

c) 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.

d) 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.

e) 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:

Freehold and leasehold building	over fifty years on cost
Furniture, fittings and equipment	over four years on cost
Motor vehicles	over five years on cost

f) Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

1. Accounting policies (continued)

(i) Pensions

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

(ii) 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.

2. Accommodation services

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Support contracts	3,804,874	-	3,804,874	4,080,709
Rental income	3,385,463	-	3,385,463	4,085,980
Other income	-	29,434	29,434	408,089
	7,380,437	29,434	7,380,871	8,584,817

3. Support activities

London Councils	-	282,084	282,084	316,799
Support contracts	1,800,548	-	1,800,548	1,886,348
GLA	1,880,347	-	1,880,347	1,373,228
London Borough of Newham	-	-	-	47,380
London Borough of Hackney	100,000	-	100,000	100,000
London Borough of Croydon	88,000	-	88,000	88,000
London Borough of Tower Hamlets	-	447,084	447,084	418,089
London Borough of Lewisham	29,479	-	29,479	80,377
Trust Income	-	57,828	57,828	450
Other income	178,528	-	178,528	105,828
Donations	12,015	10,878	22,891	81,078
	3,882,815	807,870	4,690,785	4,458,873

By activity:

	Accommodation/ Community Support £	Outreach sustainment £	Tenancy £	Total 2017 £	Total 2016 £
London Councils	-	282,084	-	282,084	316,799
Support Contracts	382,341	-	1,214,207	1,800,548	1,886,348
GLA	-	880,855	1,000,002	1,880,347	1,373,228
London Borough of Croydon	-	88,000	-	88,000	88,000
London Borough of Hackney	-	100,000	-	100,000	100,000
London Borough of Newham	-	-	-	-	47,380
London Borough of Tower Hamlets	-	447,084	-	447,084	418,089
London Borough of Lewisham	-	-	29,479	29,479	80,377
Trust Income	4,731	12,810	40,485	57,828	450
Other income	48,106	3,478	124,942	178,528	105,828
Donations	22,881	-	-	22,891	81,078
	488,068	1,613,811	2,808,805	4,690,785	4,458,873

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

3. Support activities (continued)

Section 37 funding from London Councils amounted to £ 378,700 (2016: £ 378,700)

Total funding from London Councils was fully utilised against designated running costs as follows:

	Grant 2017 £	Spent 2017 £	2016 £
Staff costs	208,267	248,383	243,882
- includes partner EASL grant	15,000	12,500	
Beneficiary costs	37,725	20,484	37,813
- includes partner Maya grant	11,725	13,769	
Overheads	42,717	22,257	38,312
	378,700	282,084	321,807

A sum of £84,625 remained unspent at 31 March 2017 by Thames Reach.

The grant received by Thames Reach included a payment of £10,000 to our partner Blenheim. The payment was made to Blenheim at the end of 2015/2016 financial year and was shown in Thames Reach 2015/2016 annual reports. Blenheim has spent £8,328.20 and has unspent funds of £1,671.80.

Therefore, the total underspend is £88,287.

4. Pathways to occupation	General funds £	Restricted funds £	Total 2017 £	Total 2016 £
Health Commission	71,448	-	71,448	988,888
London Borough of Lambeth	270,488	-	270,488	417,733
London Borough of Hammersmith and Fulham	-	-	-	-
London Borough of Lewisham	-	-	-	10,000
London Borough of Southwark	28,300	-	28,300	-
Trusts - Health related	-	1,051,138	1,051,138	812,833
Trusts - Employment and Skills related	-	55,082	-	-
Trusts - Brokerage and Resettlement	-	384,230	-	-
Donations	128,840	-	128,840	40,558
Other income	842,121	-	842,121	644,518
	1,341,873	2,300,430	3,283,111	2,882,433

5. Total Expenditure	Staff costs	Other costs	Total 2017	Total 2016
Costs of raising funds	88,747	62,822	152,888	184,558
Charitable activities	8,073,250	6,388,804	15,442,854	15,584,075
	8,162,008	6,432,525	15,585,523	15,748,634
Total 2016	8,315,208	6,433,428	15,748,634	

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

5. Total expenses (continued)

Analysis of Governance and support costs	2017 £	2016 £
Support costs		
Staff training and recruitment	117,357	105,784
Rent and service charges	489,735	411,042
IT support and equipment	653,419	617,810
Travel costs	153,505	204,728
Partnership contracts	232,867	438,548
Property costs	2,085,558	1,498,700
Insurance	159,570	170,258
Telephone and communication costs	212,588	188,428
Printing, postage, stationery and publicity	78,808	67,029
Food	208,858	184,238
Legal and professional	92,837	135,148
Tenants and clients welfare	179,867	183,327
RSL management and maintenance	1,427,185	1,783,203
Other direct costs	324,773	304,187
	8,415,385	6,300,228
Governance Costs		
Audit fee	17,180	17,100
	17,180	17,100
	8,432,565	6,317,328

Other direct costs include cost of furniture and depreciation.

6. 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 £254,788 (2016: £252,804).

7. Employees

Average monthly number of employees (Full time equivalents) during the year

	2017 Number	2016 Number
Housing and project services	285	307
Fundraising and publicity	2	2
	287	309

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

7. Employees (continued)

Analysis of staff costs	2017 £	2016 £
Wages and salaries	7,530,544	7,709,523
Social security costs	629,438	629,328
Other pension costs	488,322	488,351
Agency, relief and volunteer costs	538,894	487,004
	9,187,098	9,315,206

The number of employees whose annual emoluments were over £50,000 or more (excluding Employers NI and 6.5% Pension contribution) were:

	2017	2016
£50,001-60,000	1	1
£70,001-80,000	2	2
	3	3

8. 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.

9a. Tangible fixed assets: Charity

	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Cost			
At 1 April 2016	8,043,483	2,042,601	11,588,084
Additions	721,282	218,889	940,181
Written off	-	(1,808,117)	(1,808,117)
At 31 March 2017	9,364,775	1,253,373	10,618,148
Depreciation			
At 1 April 2016	1,001,107	2,793,278	3,794,385
Charge for the year	164,882	103,000	267,882
Written off	878	(1,807,139)	(1,808,161)
At 31 March 2017	1,166,377	989,139	2,155,516
Net book value			
At 31 March 2017	8,197,798	264,234	8,462,032
At 31 March 2016	7,042,377	149,323	7,791,699

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

9a. Tangible fixed assets: Group

	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Cost			
At 1 April 2016	8,043,483	2,042,601	11,588,084
Additions	721,282	218,889	940,181
Acquisitions resulting from formation of Group	-	147,588	147,588
Written off	-	(1,808,117)	(1,808,117)
At 31 March 2017	5,364,775	1,400,961	10,765,736
Depreciation			
At 1 April 2016	1,001,107	2,703,278	3,704,385
Charge for the year	104,882	103,000	207,882
Acquisitions resulting from formation of Group	-	148,581	148,581
Written off	878	(1,807,138)	(1,808,181)
At 31 March 2017	1,166,977	1,135,730	2,302,707
Net book value			
At 31 March 2017	8,197,798	265,231	8,463,029
At 31 March 2016	7,042,377	148,323	7,791,000

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

5b. Investments: Group

Vital Regeneration has the following investment:

	Programme related investment £
COST	
At 1 January 2016	45,001
At 31 December 2016	45,001
At 31 December 2015	45,001

Vital Regeneration owns the entire share capital of Vital Invest CIC being 100 ordinary 'A' shares of £0.01 each and 45,000 ordinary 'B' shares of £1 each. Vital Invest CIC, company registered number 08500858, is incorporated in England and Wales. The address of the registered office is 31 Plympton Street, London, NW8 8AB. The principal activity of Vital Invest CIC is the provision of financial assistance to enable people living in temporary accommodation to establish and grow their business as a means to financial independence.

Vital Invest CIC:	2016 £	2015 £
Aggregate capital and reserves	43,010	45,001
Profit and loss for the year	(1,082)	-

Vital Invest CIC has not generated any turnover during the year to 31 December 2016 and has incurred administrative expenditure of £1,082 giving a loss of £1,082.

Vital Regeneration is committed to supporting beneficiaries to increase their economic resilience and independence. Our HELP and Help Enterprise projects support people who have experienced homelessness to become self-employed, or establish a micro-business. In the instance of the latter, many of our beneficiaries have sound business ideas and are entrepreneurial but lack access to initial start-up capital.

Vital Regeneration's social investment policy is focused on providing access to affordable, patient, micro-finance capital for its beneficiaries to enable them to launch and sustain their start-up businesses as a route out of poverty. Vital Regeneration established a wholly owned subsidiary Vital Invest CIC in March 2015.

Vital Invest CIC is incorporated by share capital and Vital Regeneration is the sole shareholder of both A (£0.01 per share) and B (£1 per share) category shares. In 2015 Vital Regeneration purchased the entire share capital in Vital Invest CIC with the express purpose of that shareholding being utilised by Vital Invest CIC to make micro-investments into enterprises established by beneficiaries of the charity's HELP projects.

Vital Regeneration does not hold investments in any other entity and focuses its investment activity on developing the capacity of Vital Invest CIC to support micro-enterprises created by beneficiaries of the charity.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
10. Debtors				
Charges and grants receivable	1,863,810	1,338,725	1,863,810	1,338,725
Rent arrears	724,234	705,042	724,234	705,042
Other debtors	268,042	198,551	88,888	198,551
	<u>2,854,086</u>	<u>2,238,318</u>	<u>2,675,030</u>	<u>2,238,318</u>
11. Creditors: amounts falling due within one year	2017 £	2016 £	2017 £	2016 £
Trade creditors	420,063	423,027	410,248	423,027
Rent in advance	508,268	477,448	508,268	477,448
Taxes and social security costs	208,418	178,040	170,581	178,040
Grants in advance	2,688,018	2,481,037	2,688,018	2,481,037
Big Issue Invest	-	250,000	-	250,000
Other creditors	651,834	648,174	478,742	648,174
	<u>4,482,583</u>	<u>4,456,726</u>	<u>4,282,853</u>	<u>4,458,726</u>
12. Pension costs				
Thames Reach contributes to a defined contribution scheme for employees. Contributions payable to the scheme for the year were £ 488,322 (2016: £ 480,351).				
13. Share capital			Total 2017 £	Total 2016 £
Shares of £1 each fully paid				
Balance at the beginning of the the year			28	28
Eliminated on conversion to Charity			(28)	-
Balance at the end of the year			<u>-</u>	<u>28</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

14. Restricted funds

General funds and designated funds totalling £182,201 have been transferred to restricted funds as a contribution to supplement the shortfall on restricted activities incurred during the year.

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 31 March 2016	Income 2017	Expenditure 2017	Transfers in funds 2017	Balance at 31 March 2017
	£	£	£	£	£
Capital Fund	3,774,583	-	(84,541)	-	3,690,042
Street Rescue	-	-	(785)	785	-
Hilary Stent Fund	5,871	5,887	(3,028)	(2,802)	5,710
London Councils funded outreach team	-	282,084	(282,084)	-	-
Restricted fund for BR&L	-	384,230	(158,258)	71,358	296,332
Trust funded Community Support teams	-	2,008,200	(1,868,802)	(33,357)	3,241
Tower Hamlets outreach teams	-	452,878	(475,881)	22,802	-
Other Trust Restricted funding	-	88,375	(188,940)	103,585	-
	3,780,284	3,227,735	(3,174,824)	182,201	3,885,335

Capital Fund: This restricted income has been used for the purchase and refurbishment of Thames Reach Employment Academy. This is now being depreciated over 50 years.

Street Rescue: This income was set aside for the development of street rescue

Hilary Stent Fund: The fund represents donations received for the annual award to a resettled client made in memory of our colleague Hilary Stent. Fundraising is currently taking place before the award in November.

London Councils funded outreach team: This income is restricted to use for our Targeted Rapid Intervention and Outreach team

Restricted fund for BR&L: This represents the funds received to develop properties for Brokerage and Resettlement in London.

Community Support teams: these include our range of Employment and Health teams working as part of our recovery services.

Tower Hamlets Outreach teams: Outreach teams operating in Tower Hamlets. This had a net drain on resources.

Other Restricted funding: includes trust funding for hostels.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

15. 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 31 March 2016 £	Income 2017 £	Expenditure 2017 £	Transfers in funds 2017 £	Balance at 31 March 2017 £
Furniture and equipment	1,579,629	103,063	(104,725)	132,148	1,581,135
Designated for Bad debts	29,309	-	-	(29,309)	-
Office leases	28,201	-	-	-	28,201
Repairs and maintenance	2,118,328	-	(128,617)	105,537	2,156,048
Disabilities	403,876	-	(2,000)	-	401,877
Staff	221,201	-	-	-	221,201
Replacement vehicle	25,000	-	-	(25,000)	-
IT and infrastructure	315,798	-	(9,000)	-	308,198
New Business Development	1,483,820	-	-	-	1,483,820
	8,205,410	103,063	(305,231)	243,286	8,246,548

Furniture and equipment: This fund enables Thames Reach to operate a rolling five year programme of furniture and equipment replacement for our hostels and accommodation projects.

Designated for Bad debts: This fund was set aside to offset bad debts due to difficulties in housing benefit administration for our client group.

Office leases: This fund is intended to cover costs of office relocation and forms part of the organisation's disaster recovery procedure. The number of leases has decreased with our move to the Employment Academy. During 2017/18 Lewisham Reach will move out of their Eros House offices.

Repairs and maintenance: This fund enables the Association to meet repairing and maintaining obligations in relation to properties we manage on behalf of Registered Social Landlords and in relation to leased and freehold office premises.

Disabilities: This fund covers the cost of maintaining and restoring properties to a high standard when these costs are not funded by capital or revenue programmes.

Staff: This represents non-budgeted costs required to meet contractual obligations such as maternity/parental leave and redundancy.

Replacement vehicle: This fund was set aside to offset the costs of replacement for vehicles owned and operated by Thames Reach.

IT and infrastructure: This fund enables the IT and infrastructure to meet the growing needs of the organisation. We will be upgrading the finance systems in 17/18. This work has been put back a year due to work pressures. We are currently redesigning our website and will also redevelop the intranet.

New Business Development: This fund provides lead-in funds to enable development of new projects, expansion of projects and programmes of work as well as working capital for payment by results contracts. It is anticipated this will be used in the coming year as we bid for new social investment and pbr contracts as announced by central government. We have also taken on two new contracts for outreach and tenancy support which are paid in arrears and include payment by results.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2017 (continued)

16. Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible fixed assets	284,234	4,211,414	3,888,384	8,462,032
Current assets	4,774,221	2,035,134	8,951	6,818,306
Creditors: amounts falling due within one year	(4,282,853)	-	-	(4,282,853)
	<u>775,602</u>	<u>8,246,548</u>	<u>3,895,335</u>	<u>11,017,485</u>

18 Contingencies and commitments

Commitments under operating leases

At 31 March 2017 the organisation had annual commitments under non-cancellable operating leases as follows:

	2017 Land and buildings £	Other £	2016 Land and buildings £	Other £
Expiry date:				
Within one year	16,857	7,434	42,437	13,078
Between two and five years	38,250	789	30,759	9,817
In over five years	-	-	-	-
	<u>55,107</u>	<u>8,143</u>	<u>73,196</u>	<u>22,895</u>

(Formerly Thames Reach Housing Association Limited)

Statement of financial activities for the year ended 31 March 2016

	Notes	General funds £	Designated funds £	Restricted funds £	Total 2016 £
Income					
Income from charitable activities					
Accommodation services	2	4,085,800	4,428,507	80,300	8,584,607
Support activities	3	-	2,768,198	1,800,477	4,458,673
Pathways to occupation	4	346,742	788,089	1,578,623	2,692,434
Investment income		17,421	-	-	17,421
Total income		4,460,023	7,982,772	3,330,400	15,753,185
Expenditure					
Cost of raising funds		48,262	83,228	35,089	164,580
Charitable activities		4,425,708	7,704,288	3,454,080	15,584,074
Total expenditure	5	4,471,068	7,787,517	3,489,149	15,748,634
Net incoming/(outgoing) resources before transfers		(11,045)	175,255	(158,748)	4,581
Transfers between funds	14	178,808	(202,854)	23,956	-
Net movement in funds		168,753	(27,399)	(134,793)	4,581
Fund balances at 1 April 2015		838,847	6,232,808	3,815,057	10,786,513
Fund balances at 31 March 2016		805,400	6,205,410	3,780,264	10,791,074

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.

