

Annual Report and Financial Statements

**1 April 2020 - 31 March
2021**



Thames Reach Charity: charity number 1166311, company number 10098652

Thames Reach Housing: charity number 1188800, company number 11462686

Thames Reach Charity

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TRUSTEES ANNUAL REPORT

Strategic Report

Objectives and Activities

Our Vision

The vision of the organisation is to end street homelessness.

Our Mission

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

Statement of Purpose

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

Prevention and Partnerships

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

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

Ethos and Values

Thames Reach strives to bring its ethos and values alive so that they are widely understood and inspire and drive the work of the organisation. The following statements of the organisation's ethos

and values are discussed at induction sessions for new staff, as well as in workshops and debates and are a reference point for organisational policies, strategies and the development of new initiatives.

What we do:

Never giving up on people

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

Highest aspirations, expectations and respect for service users

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

How we do it:

Staff: compassion, integrity, professionalism and commitment

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

Working together

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

Working in partnership with others

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

Open-mindedness

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

We tell it as it is

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

Thames Reach's service users

Thames Reach works with three distinctive groups of people:

- People who have a longer -term relationship with the organisation that involves a needs assessment and a support plan.
- People who seek help around specific issues, which usually requires a brief intervention but not long-term involvement from Thames Reach.

- People assisted as part of a broader engagement with services operating in partnership with Thames Reach.

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

Staff

Thames Reach has a highly committed and skilled work force and a clear progression route through the organisation for people who wish to pursue a career working with homeless and excluded people. Many people join Thames Reach as volunteers, trainees and apprentices and move into more senior positions over time. Thames Reach's workforce is distinctive in that 20% of the workforce 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. Six staff members completed the Institute of Leadership and Management (ILM) Level 3 award during the year.

Services

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

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

Volunteers

Thames Reach uses volunteers to support our delivery of services, and in the course of the year 170 people volunteered with us. Volunteers provide valuable support in a range of different contexts – supporting the delivery of street outreach service for people sleeping rough alongside paid staff; assisting in the production and serving of food, and running activities in our day services; and providing reception support and information, advice and guidance at our Employment Academy. Volunteers come from our service user group as well as the broader community and other members of the public. All volunteers receive induction and supervision and receive appropriate checks (DBS) appropriate to their roles.

In August 2020, we employed a new volunteer programmes manager with support and funding from the Berkeley Foundation, allowing us to do valuable work and offer new training and opportunities for our volunteers. At the start of 2021, we surveyed our volunteers about the impact of the new volunteer programme manager, seeking to learn what was working effectively as well as where we should improve the volunteer experience. Communication is also an important part of the programme, and we've been doing this through ensuring our volunteers are up to date with Thames Reach news, through the running of a dedicated volunteer forum and events. We have also put a lot of focus on helping volunteers develop additional skills needed to secure employment, through offering mock interviews, help with job searching, and access to the training and support services on offer within our Employment & Skills team programme.

Background to the Business Plan

2020-21 was the second year of the 2019-2022 Business Plan. This Business Plan was developed in consultation with staff at all levels of the organisation, service users and Board members and sets out the strategic direction of Thames Reach. It established the key objectives the organisation is seeking to achieve as it strives to fulfil its mission and vision. We produce an annual work programme to deliver

the Business Plan objectives, agreed by the Board of Trustees and reviewed annually. Responsibility for ensuring that Business Plan objectives are achieved is devolved to the Senior Management Team (SMT) and each department, service and team work-plan contributes towards this goal.

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

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

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

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

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

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

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

Achievements and Performance

The year April 2020 to March 2021 will be remembered for the impact of the pandemic on everyone's lives. Our staff and volunteers have been brilliant: they've adapted to new ways of working; set up significant new schemes at short notice; and continued to run the essential services we provide.

The start of the year saw the 'Everyone In' initiative and the use of hotels to provide emergency accommodation for the people who found themselves on the street as a result of the pandemic. At Thames Reach, we supported a number of these schemes, including a specialist facility for people who had tested positive for Covid.

Emergency accommodation is just that and a key focus for us has been on what happens next. We've worked with a number of London boroughs to help people move on into their own accommodation. We have also developed a new partnership with the Cromwood Housing Group, funded by the Greater London Authority through the Rough Sleeping Accommodation Programme, where they procure homes and we provide support through our new PLACE team.

Some of our prevention services have been particularly affected by the pandemic, with our Deptford Reach service being forced to close its premises at the height of the first lockdown. The team's response has been to take the service out into the community to people at risk of homelessness.

We've opened a new hostel in Lambeth and taken over outreach services in Lambeth and the City of London. The nature of these intervention services means that staff have not had the option of home or flexible working and we are very grateful for the way in which they have worked on, allowing us to continue providing services without interruption.

This has been an awful year in so many ways, and everyone has their own stories about how it has affected them, but Thames Reach is incredibly proud of how everyone worked together so that our vision of ending street homelessness in London is still achievable. Our activities are described in the financial part of this document under the categories: Accommodation, Support, and Pathways to Occupation. This broad categorisation is used for simplicity. The Business Plan speaks more particularly about the operational groupings of Prevention, Intervention and Recovery. Each of these may span all of Accommodation, Support and Pathways.

Delivering the Business Plan: Year 2

All Thames Reach staff worked incredibly hard throughout the year to ensure that all of our services carried on operating and we continued to deliver support safely and in line with Government guidelines. Each team was helped to complete a Covid risk assessment, including access to PPE, increased cleaning of offices, adhering to physical distancing guidelines, and providing IT equipment to enable staff to work from home when they did not need to be present at a service or office.

As well as ensuring that we continued to deliver services safely, we also needed to adapt services in response to the changing environment:

We played a key role in operations carried out at short notice to accommodate the large numbers of people sleeping rough at Heathrow Airport and Stratford Shopping Centre, which took place as part of the Government's Everyone In project. Our outreach teams moved 1,516 people into Covid emergency accommodation between April and June 2020.

We secured additional funding through corporate partnerships, and through Comic Relief, to provide laptops, smartphones, and data to socially isolated people using our services, in their homes or in hotels, who wanted to receive support online or by phone.

We developed new working relationships with local public health teams to increase access to lateral flow testing and maximise uptake of vaccinations within the homeless population. We also ran a short-term accommodation service for rough sleepers who had tested positive for Covid-19 that enabled them to self-isolate and receive daily input from health staff.

We also began delivering new services focused on moving people out of hotels and towards greater independence. Our Move On team worked with the Greater London Authority and with local commissioners, moving a total of 199 people out of hotels in a six month period. Our PLACE team has also worked to move people out of local authority hotels and into good quality private rented accommodation, then providing tenancy support. It has housed more than 200 people to date. We're very proud of the work our teams have done in such difficult circumstances.

Prevention

Our Prevention services work extensively across communities to stop vulnerable people from becoming homeless. We see the damage that rough sleeping and insecure housing brings to individuals and communities, which is why we are committed to delivering prevention services that work to stop people from becoming homeless in the first place.

We work with local authorities to deliver services tailored to their areas, and we also source funding for our own services to pilot new approaches to preventing homelessness.

Over the past year, we've evolved and developed how we deliver our prevention services, often having to adapt to changes in circumstances thrown up by the pandemic, whilst making sure that the needs of individual clients are still met. We understand that the crucial moment of intervention that removes the threat of rough sleeping is going to be different for everyone.

Projects like STAR continue to support vulnerable people at risk of losing their homes, whilst others, such as Deptford Reach, have had to adapt and change their entire approach in order to meet the needs of the people using the service during lockdowns, heading out into the wider community.

Some highlights include:

- Our Employment & Skills team helped 111 people to find work and 54 to sustain their jobs for more than six months,
- 702 people were helped to access education, training, and employment services last year,
- 1,912 people were helped to sustain their accommodation last year,
- Our Deptford Reach day centre worked with 673 people in the local community last year.

Intervention

Our Intervention services get people off the streets and into safe environments where they can be given urgent, comprehensive support. We know that sleeping on the streets is harmful, and that the longer people stay there, the more difficult it can be for them to rebuild their lives. Street outreach services work to support rough sleepers to quickly move away from the street and get into accommodation, giving them the best chance to escape from sleeping rough long term.

Our outreach workers need to be able to rapidly access accommodation that people who've been sleeping rough can move in to, and then receive a more complete assessment of their needs, which is why we work with local authorities to deliver effective hostel and assessment centre services. We then agree a plan of action with them to begin addressing these support needs.

Our hostels include our new Acre Lane project, and also Robertson Street, both in the London Borough of Lambeth. Robertson Street supports people who have previously slept rough with a special focus on those aged over 40, as living on the street for a prolonged period of time can have a debilitating effect on people's health, particularly as they get older.

Intervention services:

- had a total of 163 bedspaces available across our five hostels over the past year,
- Across Thames Reach hostels we accommodated a total of 228 different people last year,
- 2170 People were helped by our outreach teams between April – June 2020 at the height of the first lockdown,
- 89% of Hostel residents who said that our support made them feel more hopeful about the future,
- 93% of Hostel residents who feel they are getting help to access additional support, such as GPs.

Recovery

Our Recovery services help people who have previously been homeless to move forward with their lives and build better futures for themselves. We know that the journey away from homelessness is about more than finding a home. We make sure that people get the support they need to address the issues that have led to their becoming homeless. We work to help them maximise their

independence, improve their physical and mental health, build supportive relationships, access opportunities to find long term, sustainable work.

We work with commissioners and landlords to make sure that those accessing our services find good quality housing. We then provide tailored, personalised support to make sure people sustain their tenancies, and continue to get the necessary support to move forward with their lives.

Our recovery services include: Brokerage and Resettlement in Lambeth (BRiL), which we run as part of the Lambeth Living Well Alliance; and our Tenancy Sustainment Team, which helps people to manage the transition away from the street or hostel living into more independent accommodation.

An important part of supporting people when they move into their own place is our client welfare fund – formerly our Hard-to-Reach Fund – which helps with furnishing flats and purchasing essentials so that people can make a positive and well-resourced start to independent living..

This year saw significant government announcements about the allocation of central government money to provide both additional accommodation for people who have slept rough, and crucially, support to enable them to make a success of their tenancies and to recover and move away from homelessness. Our GLA funded Tenancy Sustainment Team has expanded its work to support former rough sleepers who move into private rented accommodation, helping a group who is otherwise at significant risk of tenancy breakdown and a return to the streets. In addition we continue to utilise our seventeen 'BRiL' flats which provide secure independent accommodation with support for people moving out of registered care as part of the process of recovery from mental illness.

- 1,769 people were helped by our recovery services last year,
- 304 people were helped to make positive moves out of supported accommodation.

Organisational enablers to support this work

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

Salaries are regularly benchmarked to the Upper Quartile in the sector and adjustments made where the benchmarking indicates this is required. The last benchmarking was in the previous financial year resulting in Lead Manager and Area Manager Grades being adjusted.

In November 2020 , in addition to the nationally negotiated pay rise of 2.75%, we also made an additional discretionary one off payment of £300 to staff who had been working at main Grades up to Grade E (senior practitioner). Staff who started between April and October or who worked part time/part of that time, had this payment applied on a pro-rata basis. Any relief workers who worked more than 260 hours in the pay periods paid in April to October also had the £300 one-off discretionary payment applied pro-rata.

Messages

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

Use of Property

Thames Reach Charity now owns 17 BRiL properties, 3 Peer Landlord properties, the Employment Academy, Elmfield and Hudson Houses in Stockwell, as well as Deptford Reach and the 3rd Floor of the Bondway Office (held on Deed of Trust by Places for People).

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

The Finance, Audit and Fundraising sub-committee of the Board (FAF) continues to consider options for the possible development of the Deptford Reach project and a process of applying for planning permission for residential accommodation on the site has begun.

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

Financial resilience

The specific impact of Covid-19 is discussed on page 11. We have continued to develop a range of income streams to maintain financial resilience. Our Asset base is strong (see Use of Property above) and we continue to develop plans for maximising both the service offering and the value of the Deptford Reach property. 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 to develop such schemes they meet these criteria and where they provide opportunities to work flexibly and creatively with people for whom existing services are not working effectively. Our three year non-statutory fundraising strategy has achieved its targets and, in the area of trusts and foundations, 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.

Notwithstanding the challenges Covid presented to the earned income from the community buildings that we own - the Employment Academy in Camberwell, and Elmfield and Hudson House in Stockwell, these are still valuable assets and we are making adjustments to the split between office and events spaces to maximise returns in the current environment. Income derived from rents and the use of events and meeting space is used to fund our employment services and initiatives across the organisation.

Supporting staff

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

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

Thames Reach provides tailored support for managers and six managers completed an Institute of Leadership and Management (ILM) award during the year. It is our fourth year of the programme, which brings real value to developing competent and committed managers. Additionally, one member of staff is enrolled on the London Housing Foundation Leadership and Management Programme delivered by London South Bank University.

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

Governance

We have an engaged Board of Trustees. The Board is discussed in more detail below. During the year we added 4 new Board members to the Charity.

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 obliged to ensure that the messages we impart are accurate and candid and that our service users are actively involved in shaping the message and in speaking to those in positions of power. In short – we seek to tell it as it is.

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

At a regional level we have been active contributors, through Thames Reach's Chief Executive, to the London Mayor's No Nights Sleeping Rough task force and have worked closely with decision makers at regional and local level to ensure that the decisions they are making and the services that they are commissioning are as effective as they can be. We have focused over the year on three core issues that particularly affect the people we work with:

- The impact of the pandemic on the vulnerably housed and the need to ensure that this group can find secure, affordable accommodation to ensure that street homelessness does not become a way of life for them.
- The large numbers of non-UK national rough sleepers on the streets of London and the fact that we have very limited options to help them away from homelessness.
- The close links between Homelessness and poor health, and the need to ensure that health services are accessible to those that need them, and the need for other services (for example those providing social rather than clinical support) to be better integrated with them.

Structure, Governance and Management

Risk Factors

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

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

- Contract Risk
- Capacity and use of resources
- Competition
- Public perception and adverse publicity
- Relationship with funders

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

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

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

Covid 19

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

1) Fundraising

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

2) Safeguarding, use of volunteers and good governance

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

Covid has also impacted the ability of Thames Reach to conduct internal audits. These have been paused and are planned to re-commence in the financial year beginning 1 April 2022.

3) Staffing

During the year staff worked incredibly hard in challenging circumstances to maintain service delivery. To recognise this the Board set aside £87,500 for an additional discretionary bonus of £300 (pro-rata) to all main grade staff who have a start date pre-November 2020 and are paid below Lead Manager Grade. We also made the same pro-rate payment to any relief staff who have worked more than 260 hours in the period 15 March to 15 October.

4) Going concern

In the Financial Review section below the overall health of Thames Reach's position is discussed. As part of the Trustees review of the appropriateness of adopting the 'going concern' basis for preparing the annual accounts an analysis of performance during the 2021-22 year to date and a number of projections were performed. The bulk of Thames Reach's operating costs relates to staff costs. Because of this our staff complement is arranged with generic job descriptions that allow redeployment in the case that the service a staff member is in gets decommissioned. Only if redeployment options are not available is redundancy an option. The structure of our staff teams means that most contracts with a period of 2 years or less are staffed on a Fixed Term contract. Trustees maintain a contract tracker to identify services that are contracted for longer than 2 years, meaning that staff are on permanent contracts, for any indication that they will be decommissioned.

With the increase in funding to the sector from the MHCLG over the past two years there has been an expansion in funding and as a result in vacancies and so redeployment opportunities have abounded. The exposure of Thames Reach to contract loss is assessed and the lost contribution to core costs as well as redundancy costs are considered although most staff are likely to be eligible for TUPE transfer to a new provider in the event of contract loss, unless the service is decommissioned. In the reviews up to the date of signing these accounts it was thought unlikely that any existing services would be decommissioned. On the basis of these reviews, the Trustees consider it is appropriate for the 'going concern' basis to be adopted in preparing these financial statements.

Financial Review

The Statement of Financial Activities shows total incoming resources of £20,393,857 (2020: £19,262,475) - an increase on last year of 6%. The Resources expended of £20,957,459 (2020: £18,309,407) were 14% more than last year. In keeping with previous years, 99% of the expenditure was incurred on direct charitable expenditure. Expenditure on fundraising and publicity represents 1% of total income.

During 2020/2021 the focus shifted from primarily sustaining the organisation and continuing to review costs and processes to ensuring that services could continue to be delivered to the vulnerable people who need them. This was done by changing the way we equip staff with IT equipment and also an expanded use of Agency staff for the rapid roll out response required by the pandemic.

We have maintained and developed the services provided at Deptford Reach while growing partnerships and investigating the possible co-location of this service with other local organisations, which could mean the release of the site for redevelopment.

We have continued to work as a partner in the Lambeth Living Well Alliance, with a focus on re-configuring services to respond to the challenges of the pandemic, as well as developing specialist

functions that respond to the need to help people move more effectively through the Mental Health pathway.

Thames Reach does not own the hostels and flats that it manages, other than the BRiL flats and three Peer Landlord properties. We also own the Employment Academy, the Hudson and Elmfield site, Deptford Reach's property, and one floor of an office building in Vauxhall. We are working to maximise our use of these buildings to help fund the work of our employment services. We operate a five-year rolling programme of renewal in relation to furniture and equipment.

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

Reserves

The Board of Thames Reach recognises the need to maintain financial stability in order to achieve our strategic intent and carry out the charitable objects of the organisation. The Board therefore considers it prudent to maintain adequate reserves which, in conjunction with appropriate financial controls and risk management systems, will minimise any disruption to our services. The Board continues to review this policy. Unrestricted funds are currently £9,578,154 (2020: £9,834,555) of which £8,055,916 (2020: £8,088,481) are designated.

The level of reserves is reviewed annually to ensure they are maintained at an appropriate level. The reserves policy is reviewed regularly by the Finance, Audit and Fundraising Committee to ensure the reserves are maintained at a level adequate for potential risks. Contract and service performance is monitored and if these proved to be producing deficits and not contributing to core costs it would be necessary to cede those contracts or restructure to move to a position of full cost recovery once more. To avoid the risk of illiquidity the Board's policy is to build a general fund of 10% of income, being £2 million. This represents the expected costs of restructuring the organisation to a more competitive level. At year end the General Reserve was £1,522,238 (2020: £1,746,074). More details can be found in Note 15 of the accounts. Given the budget forecasts and strong cash flow, as well as a number of saleable assets available, the Board is comfortable with this number with a view to continuing to build towards the target in future years.

	Balance at 31 March 2021 £'000	Balance at 31 March 2021 £ '000
Functional Fixed Assets		
Reserve		6,472
Office leases	28	
Sinking Fund	538	
Staff	232	
IT and infrastructure	11	
Vital Regeneration	247	
Deptford Reach building fund	18	
New Business Development	510	
Designated Reserves		1,584
General Reserves		1,522
Total Unrestricted Reserves		9,578

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

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

Sinking Fund - This fund is for major repairs to the fabric of buildings we own: Thames Reach Employment Academy, Elmfield and Hudson House. It is currently £538k. There are five year plans in place for these funds to be utilised.

Staff - This £232k is set aside for non-budgeted costs required to meet contractual obligations such as maternity/parental leave and redundancy. During the year some of this fund was used to pay a one off discretionary bonus to staff in recognition of their hard work in the year,

IT and Infrastructure -. In 2021 this was spent on a lone working system and the migration to Office365 and will begin to be replenished.

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

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

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

Analysis of Assets

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

Other Annual and Strategic Report requirements

Public Benefit

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

Directors Report

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

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

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

The Senior Management Team (SMT) consists of:

- Bill Tidnam, Chief Executive
- Paul Jackson, Director of Finance and Central Services
- Catherine Parsons, Director of Operations
- Joanna Mark-Richards, Director of People (in post from 11 October 2021)

Trustees 2020/2021

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

Stephen Howard (Chair)

Vasim Ul Haq (Vice Chair and Treasurer)

Peter Davey

William Flenley QC

Tony McBrearty

Joanna Wade (Resigned April 2020)

Michael Scorer

Caroline Tulloch (Resigned April 2020)

David Ford

Elizabeth Clowes

Becca Taber

Simon Rawson (Appointed September 2020)

Olukemi Jeboda (Appointed September 2020)

Louise Wilson (Appointed September 2020)

Georgina Thompson (Appointed February 2021)

Bill Tidnam* (Chief Executive and Company Secretary)

*Executive Salaries

Bill Tidnam, Chief Executive £115,627 (Salary of £97,106 plus 6.5% Employer pension contribution and Employer National Insurance contribution)

The ratio between the Chief Executive salary and Thames Reach trainees and apprentices is 4.75:1. Senior salaries (members of the organisation's Senior Management and Leadership Teams) are benchmarked against similar roles in competitor charities at the point of recruitment, with this process overseen by the Governance sub-committee.

Bankers and Auditor

Bankers: National Westminster Bank plc
London Bridge Branch
PO Box 35
10 Southwark Street
London SE1 1TJ

Barclays Bank plc
PO Box 35721
London E14 4WA

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

Structure, Governance and Management

Board processes

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

Subsequent to losing the skills of Joanna Wade (Governance) and Caroline Tulloch (Treasurer) in April 2020 we identified the need to strengthen the board in the areas of Human Resource Management as well seeking a qualified accountant to join our Finance, Audit and Fundraising sub-committee. In addition, a need to bolster the Board with someone who had expertise in organisational communications was identified. While this process was delayed by the pandemic we received an excellent response and appointed new members who begin their terms of office in 2020-21. Simon Rawson and Georgina Thompson joined the Board and the FAF committee, whilst Olukemi Jeboda and Louise Wilson joined the Board and the Governance committee.

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

The Board strives to ensure that its membership reflects wider society and is diverse in both profile and encapsulated in Thames Reach's Policy Statement on Equality and Diversity (see page 20).

Charity Governance Code

The Board has adopted the Nolan Principles and complies with the Charity Good Governance Code. The Board continues to progressively refresh the Board and conduct Board appraisals. Board members are fully appraised in a 360 degree appraisal every three years. During the year several Board members were appraised and it was agreed they will continue to serve as Board members despite in some instances exceeding nine years total service. This was to maintain stability on the Board as four new members have joined following a process of identifying skills gaps, this necessitated going outside the sector to recruit new Board members. Therefore it was considered important to retain the experience on the Board to maintain the ethos and values of the Charity.

The Board membership is currently 14. The Board has agreed to adopt the Nolan principles: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

The Work of the Board

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

There were five Trustee Board meetings during the year and all meetings were quorate. Meetings were held via video conferencing to accommodate the effects of the pandemic.

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 and was chaired by Vasim Ul Haq. The other Board members on the committee were Simon Rawson, Georgina Thompson, Bill Tidnam and Stephen Howard.

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

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

Services Committee

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

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

- Improving reporting on the performance indicators and outcomes that Thames Reach uses to assess progress in delivering its vision and mission;
- Service user engagement —the service user survey was undertaken this year, 95% of respondents were satisfied overall 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 Becca Taber. The other Board members were Peter Davey, Tony McBrearty, Olukemi Jeboda, Louise Wilson and Bill Tidnam.

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

HR report. This annual Human Resources Report monitors the diversity of staff, the leadership team and the Board. This is also reported annually to the full Board.

During the year the committee focused on:

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

Fundraising

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

The Thames Reach Group

The Thames Reach Group consists of Thames Reach Charity and Thames Reach Housing. Thames Reach Housing is a registered Charity with a view to being a Registered Social Landlord. During the year Thames Reach Housing did not have any transactions. The Group figures in these financial accounts represent the combination of results from Thames Reach Charity and Thames Reach Housing.

Statement of disclosure of information to auditors

So far as each of the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Objectives and Activities

Objectives

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

Statement of Purpose

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

Health and Safety and Wellbeing

It is Thames Reach's policy to energetically fulfil its responsibility to maintain a healthy and safe working environment for all its employees, volunteers, visitors and service users, and to ensure that

all that is reasonable and practical is done to reduce and manage risks. Thames Reach's Board has a responsibility to ensure this policy is implemented in a rigorous manner and is committed to continuous improvement in health and safety performance. Performance is monitored through annual reports to the Board and regular reports to the Services Committee. The Chair of the Services Committee was the formally designated Health and Safety Officer.

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

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

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

Covid-19

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

Plans for future developments

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

Statement of the Board's Responsibilities

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

In preparing those accounts, the Board is required to:

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

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

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

Financial risk management

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

Policy Statement on Equality, Diversity and Inclusion

Thames Reach is committed to promoting equality of opportunity for staff, service users and others associated with the organisation. Through our work with homeless and vulnerable people, Thames Reach is often at the forefront of identifying and tackling social exclusion. We are committed to advocating for and speaking out on behalf of those people or groups who are experiencing disadvantage or discrimination both 'on the ground' when providing support to individuals, and on a local and national level to influence policy and decision makers.

This policy identifies the organisation's overall policy aims in relation to promoting equal opportunities, valuing and celebrating diversity, and inclusion, combating discrimination and ensuring that services are as accessible as possible. Its principles underpin a wide range of operational policies and procedures.

Thames Reach is committed to:

- Equality of opportunity. This means that in the provision of services, the selection of suppliers and contractors, and the employment of staff to provide these services, the organisation aims to ensure that no-one is unfairly discriminated against due to age, disability, sex, gender, gender identity, sexual orientation, race, ethnicity, national origin, religion or belief, marital status, civil partnership, pregnancy and maternity; or type of contract, pattern of work, responsibility for dependents; or social standing, history of homelessness or refugee status.
- Taking practical steps to identify inequality and discrimination, and address it by developing best practice.
- Complying with relevant legislation and learning from practice outside the organisation.

We believe that:

The services we provide will be enhanced by the diversity of staff, and recognise that we need to work as an organisation and as individuals within the organisation to promote and celebrate this diversity and harness its potential to improve the services we provide.

Taking positive action to meet the needs of specific groups facing discrimination can make a practical contribution to addressing discrimination.

Gender Pay Gap

We are required to report on our Gender Pay Gap. This year, our data shows that our mean gender pay gap was -2.1% (previously -4.1%). This means that, on average, women are paid slightly more than men across the organisation. However, we are happy that this pay gap is minimal, and indicates that in general employees are paid equitably, regardless of gender.

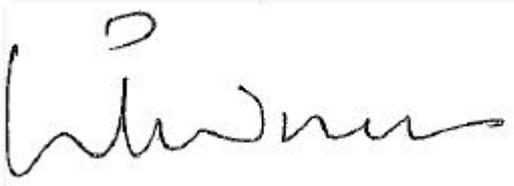
Further Information

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

Auditor

Crowe were appointed by the Trustees in 2020 in accordance with section 485 of Companies Act 2006.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 19 November 2021 including in their capacity as company directors approving the Directors' and Strategic Reports contained therein, and is signed as authorised on its behalf by the Secretary.

A handwritten signature in black ink, appearing to read 'Bill Tidnam', is written over a light grey rectangular background.

Bill Tidnam

Secretary and Chief Executive

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THAMES REACH CHARITY

Opinion

We have audited the financial statements of Thames Reach for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were GDPR, taxation legislation, health & safety legislation and employment legislation.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Audit and Fundraising Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical procedures and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further

removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Julia Poulter
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
Date: 12th January 2022

Thames Reach Charity

Consolidated Statement of financial activities for the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
		Group	Group	Group	Group
Income					
Income from charitable activities					
Accommodation services	3	7,605,252	-	7,605,252	7,934,210
Support activities	4	9,269,191	2,244,404	11,513,595	9,425,534
Pathways to occupation	5	1,270,640	1,328	1,271,968	1,889,318
Deptford Reach merger					
Investment income		2,672	370	3,042	13,413
Total income		18,147,755	2,246,102	20,393,857	19,262,475
Expenditure					
Cost of raising funds		196,705	121,292	317,997	225,735
Charitable activities		18,200,689	2,438,773	20,639,462	18,083,672
Total expenditure	6	18,397,394	2,560,065	20,957,459	18,309,407
Net incoming/(outgoing) resources before transfers		(249,639)	(313,963)	(563,602)	953,068
Transfers between funds	14	(6,762)	6,762	-	-
Net movement in funds		(256,401)	(307,201)	(563,602)	953,068
Fund balances at 1 April 2020		9,834,555	6,826,321	16,660,876	15,707,808
Fund balances at 31 March 2021		9,578,154	6,519,120	16,097,274	16,660,876

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

Thames Reach Charity

Balance sheet at 31 March 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Non-current Assets					
Tangible assets	10, 10a	13,366,452	13,479,769	13,366,452	13,479,769
		<u>13,366,452</u>	<u>13,479,769</u>	<u>13,366,452</u>	<u>13,479,769</u>
Current assets					
Debtors	11	3,658,166	2,798,813	3,663,166	2,803,813
Cash at bank and in hand		4,908,653	5,204,040	4,903,653	5,199,040
		8,566,819	8,002,853	8,566,819	8,002,853
Creditors: amounts falling due within one year	12	(5,012,310)	(3,998,059)	(5,012,310)	(3,998,059)
Net current assets		<u>3,554,509</u>	<u>4,004,794</u>	<u>3,554,509</u>	<u>4,004,794</u>
Non current liabilities		<u>(823,687)</u>	<u>(823,687)</u>	<u>(823,687)</u>	<u>(823,687)</u>
Total assets less total liabilities, being net assets	16	<u>16,097,274</u>	<u>16,660,876</u>	<u>16,097,274</u>	<u>16,660,876</u>
Funds					
Restricted funds	14	6,519,120	6,826,321	6,519,120	6,826,321
Unrestricted funds:					
Designated funds	15	8,055,916	8,088,481	8,055,916	8,088,481
General funds		1,522,238	1,746,074	1,522,238	1,746,074
		9,578,154	9,834,555	9,578,154	9,834,555
Total Restricted and Unrestricted funds		<u>16,097,274</u>	<u>16,660,876</u>	<u>16,097,274</u>	<u>16,660,876</u>

These financial statements were approved by the Board on 19 November 2021 and authorised for issue and were signed on its behalf by:

S. Howard
Chair

V. Haq
Treasurer




Thames Reach Charity

Cash flow statement for the year ended 31 March 2021

	Notes	Group	
		2021 £	2020 £
Net cash inflow from operating activities		(35,126)	2,177,282
Capital expenditure and financial investments			
Payments to acquire tangible fixed assets		(260,262)	(1,683,031)
Cash and cash equivalents from new subsidiary		-	-
Proceeds on disposal of Investment		-	-
Cash inflow from financing activities		-	823,687
(Decrease)/Increase in cash		(295,388)	1,317,938
Reconciliation to changes in resources			
Net income before transfers		(563,602)	953,068
Loss on assets written off		3,294	-
Depreciation of tangible fixed assets		370,284	349,600
Net Assets acquired from Deptford Reach		-	-
(Increase)/Decrease in debtors		(859,353)	1,735,135
Increase/(Decrease) in creditors		1,014,251	(860,521)
		(35,126)	2,177,282
Net cash inflow from financing activities			
Long-term loan		-	823,687
		-	823,687
Reconciliation of net cash flow			
(Decrease)/Increase in cash		(295,387)	1,317,939
Balance at 1 April 2020		5,204,040	3,886,101
Balance at 31 March 2021		4,908,653	5,204,040

Thames Reach Charity

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

1. General Information

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

2. Accounting policies

a) Basis of preparation

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

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

b) 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 2018. Vital Regeneration Limited has been included in the group financial statements using the acquisition method of accounting.

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

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

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

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

Thames Reach Charity

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

2. Accounting policies (continued)

d) 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.

e) 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.

f) Tangible fixed assets and depreciation

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

Fixtures, fittings and equipment	4 years
Motor vehicles	5 years

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

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

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

2. Accounting policies (continued)

f) Pensions

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

g) 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.

3. Accommodation services	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Support contracts	3,488,773	-	3,488,773	3,851,148
Rental income	3,581,472	-	3,581,472	3,694,140
Other income	535,007	-	535,007	388,922
	<u>7,605,252</u>	<u>-</u>	<u>7,605,252</u>	<u>7,934,210</u>

4. Support activities

London Councils	-	397,235	397,235	414,105
Support contracts	338,937	-	338,937	252,341
GLA	4,277,509	54,430	4,331,939	3,338,994
Health Commission	-	1,698,075	1,698,075	1,614,999
London Borough of Lambeth	351,932	-	351,932	567,995
London Borough of Lewisham	73,682	-	73,682	182,744
London Borough of Hackney	714,888	-	714,888	327,698
London Borough of Croydon	126,054	-	126,054	114,438
London Borough of Haringey	161,576	-	161,576	87,325
London Borough of Brent	828,583	-	828,583	753,423
London Borough of Enfield	79,258	-	79,258	41,910
London Borough of Greenwich	335,690	-	335,690	125,855
London Borough of Newham	617,996	-	617,996	239,796
Trust Income	374,971	52,991	427,962	508,452
Other income	942,299	41,673	983,972	807,247
Donations	45,816	-	45,816	48,212
	<u>9,269,191</u>	<u>2,244,404</u>	<u>11,513,595</u>	<u>9,425,534</u>

By activity:

	Accommodation/ Community Support £	Tenancy Outreach sustainment £	Total 2021 £	Total 2020 £
London Councils	-	397,235	397,235	414,105
Support Contracts	338,937	-	338,937	252,341
GLA	-	2,708,984	4,331,939	3,338,993
Health Commission	1,698,075	-	1,698,075	1,614,999
London Borough of Croydon	126,054	-	126,054	114,438
London Borough of Hackney	340,254	374,634	714,888	327,699
London Borough of Lewisham	73,682	-	73,682	182,744
London Borough of Greenwich	335,690	-	335,690	125,855
London Borough of Newham	-	617,996	617,996	239,796
London Borough of Haringey	-	161,576	161,576	87,325
London Borough of Brent	828,583	-	828,583	753,423
London Borough of Enfield	-	79,258	79,258	41,910
Gross Rental Income	-	-	-	21,804
London Borough of Lambeth	-	351,932	351,932	567,995
Trust Income	427,962	-	427,962	508,452
Other income	229,113	754,859	983,972	785,443
Donations	10,858	34,958	45,816	48,212
	<u>4,409,208</u>	<u>5,481,432</u>	<u>11,513,595</u>	<u>9,425,534</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

5. Pathways to occupation	General funds £	Restricted funds £	Total 2021 £	Total 2020 £
LB Southwark	138,866	-	138,866	87,583
London Borough of Lambeth	93,637	-	93,637	55,687
Trusts - Health Related	-	-	-	-
Trusts - Other	379,983	-	379,983	277,533
Donations	77,239	1,328	78,567	321,990
Other income	580,915	-	580,915	1,146,525
	<u>1,270,640</u>	<u>1,328</u>	<u>1,271,968</u>	<u>1,889,318</u>
6. Total Expenditure	Staff costs	Other costs	Total 2021	Total 2020
Costs of raising funds	196,705	121,292	317,997	225,735
Charitable activities	13,362,361	7,277,101	20,639,462	18,083,672
Accommodation	3,573,090	3,241,772	6,814,862	6,822,292
Support Activities	9,310,740	3,356,095	12,666,835	9,950,283
Pathways to occupation	478,531	679,234	1,157,765	1,311,097
	<u>13,559,066</u>	<u>7,398,393</u>	<u>20,957,459</u>	<u>18,309,407</u>
Total 2020	<u>11,324,016</u>	<u>6,985,391</u>	<u>18,309,407</u>	

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

6. Total expenses (continued)

Analysis of Governance and support costs	2021	2020
	£	£
Support costs		
Staff training and recruitment	172,631	214,400
Rent and service charges	504,834	578,417
IT support and equipment	855,867	583,877
Travel costs	301,402	245,388
Partnership contracts	421,604	528,065
Property costs	1,979,647	1,554,850
Insurance	186,077	194,456
Telephone and communication costs	306,869	211,862
Printing, postage, stationery and publicity	27,308	41,497
Food	104,324	119,071
Legal and professional	64,231	104,186
Tenants and clients welfare	911,504	507,665
RSL management and maintenance	938,699	1,118,704
Other direct costs	602,995	960,851
	<u>7,377,992</u>	<u>6,963,289</u>
 Governance Costs		
Audit fee	20,400	22,102
	<u>7,398,393</u>	<u>6,985,391</u>

Other direct costs include cost of furniture and depreciation.

7. Board

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

The key management personnel of the association comprises the senior management team who received remuneration of £305,778.19 (2020: £301,019)

8. Employees

	2021	2020
	Number	Number
Average monthly number of employees (Headcount) during the year	397	355
 Average monthly number of employees (Full time equivalent) during the year		
Housing and project services	343	332
Fundraising and publicity	2	2
	<u>345</u>	<u>334</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

8. Employees (continued)

Analysis of staff costs	2021 £	2020 £
Wages and salaries	10,185,251	8,756,197
Social security costs	989,005	811,750
Other pension costs	658,209	526,583
Agency, relief and volunteer costs	1,726,601	1,229,486
	<u>13,559,066</u>	<u>11,324,016</u>

The total amount of redundancy payments awarded in the year is £0 (£1121.31 2020). Settlement agreements totalled in £0 in year 2021 (£20 800 2020).

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

	2021	2020
£100,001-110,000	-	-
£90,001-100,000	1	1
£80,001-90,000	1	-
£70,001-80,000	1	2
£60,001-70,000	-	-
	<u>3</u>	<u>3</u>

9. Taxation

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

10. Tangible fixed assets: Charity

	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Cost			
At 1 April 2020	15,188,250	859,916	16,048,166
Additions	250,205	10,057	260,262
Disposal	-	(5,272)	(5,272)
At 31 March 2021	<u>15,438,455</u>	<u>864,701</u>	<u>16,303,156</u>
Depreciation			
At 1 April 2020	1,854,904	713,494	2,568,398
Charge for the year	268,229	102,055	370,284
Disposal	-	(1,978)	(1,978)
At 31 March 2021	<u>2,123,133</u>	<u>813,571</u>	<u>2,936,704</u>
Net book value			
At 31 March 2021	<u>13,315,322</u>	<u>51,130</u>	<u>13,366,452</u>
At 31 March 2020	<u>13,333,345</u>	<u>146,424</u>	<u>13,479,769</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

10a. Tangible fixed assets: Group

	Note	Freehold and Leasehold property £	Furniture, fittings, equipment & motor vehicles £	Total £
Cost				
At 1 April 2020		15,188,250	859,918	16,048,168
Additions		250,205	10,057	260,262
Adjustment	17			0
Disposals			(5,274)	(5,274)
At 31 March 2021		15,438,455	864,701	16,303,156
Depreciation				
At 1 April 2020		1,854,904	713,493	2,568,397
Charge for the year		268,229	102,055	370,284
Adjustment				0
Disposals			(1,977)	(1,977)
At 31 March 2021		2,123,133	813,571	2,936,704
Net book value				
At 31 March 2021		13,315,322	51,130	13,366,452
At 31 March 2020		13,333,345	146,424	13,479,769

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
11. Debtors				
Charges and grants receivable	3,025,083	2,147,825	3,025,083	2,147,825
Rent arrears	535,913	541,655	535,913	541,655
Inter-company receivables	-	-	-	-
Other debtors	97,170	109,333	102,170	114,333
	<u>3,658,166</u>	<u>2,798,813</u>	<u>3,663,166</u>	<u>2,803,813</u>
12. Creditors: amounts falling due within one year				
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	1,046,425	648,666	1,046,425	648,666
Taxes and social security costs	282,364	220,391	282,364	220,391
Grants in advance	3,001,075	2,575,489	3,001,075	2,575,489
Other creditors	682,446	553,513	682,446	553,513
	<u>5,012,310</u>	<u>3,998,059</u>	<u>5,012,310</u>	<u>3,998,059</u>

13. Pension costs

Thames Reach contributes to a defined contribution scheme for employees. Contributions payable to the scheme for the year were £ 658,209 (2020: £ 526,583).

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

14. Restricted funds

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

	Balance at 1 April 2020	Income 2021	Expenditure 2021	Transfers in funds 2021	Balance at 31 March 2021
	£	£	£	£	£
Premises maintenance reserve	-			-	-
Capital Fund - Employment Academy	3,437,164		(84,203)	-	3,352,961
Capital Fund - Robertson Street Hostel	1,360,395	-	(41,838)	-	1,318,557
Hilary Stent Fund	8,626	1,328	-	-	9,954
London Councils funded outreach team	31,923	414,421	(423,310)	8,889	31,923
Restricted fund for BRiL	550,733	-	(4,764)	1	545,970
Trust funded Health projects	260,540	1,775,859	(1,771,090)	(4,769)	260,540
Safe Connections funding	214,287	54,496	(215,706)	-	53,077
Lambeth funding	88,240	-	(936)	936	88,240
Deptford Reach property	871,496	-	(17,786)	1	853,711
Other Restricted funding	2,917	-	(434)	1,704	4,187
	<u>6,826,321</u>	<u>2,246,104</u>	<u>(2,560,067)</u>	<u>6,762</u>	<u>6,519,120</u>

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

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

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

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

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

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

Lambeth Funding: funding for our Lambeth Offender's Team

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

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (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 1 April 2020 £	Income 2021 £	Expenditure 2021 £	Transfers in funds 2021 £	Balance at 31 March 2021 £
Functional Fixed Assets Reserve	6,436,294			35,272	6,471,566
Office leases	28,261	-	-	-	28,261
Sinking Fund	414,403	145,596	(21,725)	-	538,274
Staff	314,342	-	(82,028)	-	232,314
IT and infrastructure	120,207	-	(109,680)	-	10,527
Vital Regeneration	246,631	-	-	-	246,631
Deptford Reach building fund	18,343	-	-	-	18,343
New Business Development	510,000	-	-	-	510,000
	<u>8,088,481</u>	<u>145,596</u>	<u>(213,433)</u>	<u>35,272</u>	<u>8,055,916</u>

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.

Office Leases: This fund is to provide for office relocation and set up. We currently have office premises in Sutton, Westminster and Lambeth.

Sinking Fund: This fund is for major repairs to the fabric of buildings we own: Thames Reach Employment Academy, Elmfield and Hudson House.

Staff: The £232k is set aside for non-budgeted costs required to meet contractual obligations such as maternity/parental leave and redundancy. During the year some of this fund was used to pay a one off discretionary bonus to staff in recognition of their hard work in the year.

IT and Infrastructure: In 2021 this was spent on lone working system and the migration to Office 365 and will begin to be replenished.

Vital Regeneration: Thames Reach has taken over the subsidiary and this amount represents the reserves on transfer. These funds are designated to continue to work to design and deliver innovative, sustainable programmes that enable individuals and communities to fulfil their potential through learning, employment and enterprise.

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

New Business Development: We work in a rapidly changing funding environment and during the last year we used funds in order to appoint Lead-in managers for new projects, fund the gap between funding sources eg Westminster pathways. This year we will use this fund to enable us to have full teams in the areas where we have payment by results eg Tenancy Sustainment Teams, Rough Sleepers SIB and London Street Rescue. In addition we have used the fund to start new projects eg No Second Night Out and the Heathrow Outreach Team while the funding is being agreed.

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

16. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	7,295,253	6,071,199	13,366,452
Current assets	8,118,898	447,921	8,566,819
Non Current liabilities	(823,687)	-	(823,687)
Creditors: amounts falling due within one year	(5,012,310)	-	(5,012,310)
	<u>9,578,154</u>	<u>6,519,120</u>	<u>16,097,274</u>
2019/2020	<u>9,834,555</u>	<u>6,826,321</u>	<u>16,660,876</u>

Thames Reach Charity

Notes to the financial statements for the year ended 31 March 2021 (continued)

17. Contingencies and commitments

Commitments under operating leases

At 31 March 2021 the organisation had annual commitments under non-cancellable operating leases as follows:

	2021		2020	
	Land and	Other	Land and	Other
	buildings		buildings	
	£	£	£	£
Expiry date:				
Within one year	156,019	4,768	15,654	2,793
Between two and five years	438,897	-	-	-
In over five years	-	-	-	-
	<u>594,916</u>	<u>4,768</u>	<u>15,654</u>	<u>2,793</u>

18. Subsidiary

At 31 March 2021 the charity had one subsidiary, Thames Reach Housing, that has not begun trading.