

Thames Reach Charity
Annual Report and Financial
Statements
1 April 2021 - 31 March 2022



Thames Reach Charity: charity number 1166311, company number 10098652

Thames Reach Housing: charity number 1188800, company number 11462686

Thames Reach Charity Annual Report and Financial Statements 2021/22

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 or vulnerable people 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.

People who use Thames Reach's services

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 more than 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.

Thames Reach has achieved a 1 Star Best Companies Accreditation for 2022 and has also successfully made one of the regional league tables, as well as being ranked 31st as one of the "Best Companies to Work For" in the Housing Association sector for 2022. These accreditations demonstrate the commitment of our employees and the high levels of engagement.

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 working with commissioners and other funders to develop new ways of working to end homelessness.

Volunteers

Our volunteers remain a critical part of the work that we do at Thames Reach.

Volunteers support our services in many ways, such as in helping our outreach teams to find people sleeping rough and assist them off the streets. They also work with people who have moved into their own accommodation, helping them to develop links with their local communities, and with our Employment and Skills team to help people find and sustain employment.

Over the past year, we have worked with new partners, especially in local communities and in the voluntary sector, to promote our volunteering opportunities. We have built a stronger working partnership with Birkbeck, University College London and Goldsmiths to provide student placements, and hope to increase this by working with other universities and student placement providers in the future.

New corporate partners have come forward, and our wonderful long-term supporters have been flexible, generous, and considerate. We would like to note the invaluable support provided by the Worshipful Company of Information Technologists (WCIT), Ecovis, Nexus, Price Waterhouse Coopers (PWC) and MJ Hudson.

We are very grateful for the work done by our first volunteer coordinator, Kelly McLoughlin, who left in spring 2022. Her work has strengthened our offer to the people who volunteer with us, and we are glad that this will be taken forward and expanded on by her successor. This includes our annual summer event and awards ceremony celebrating the work done by our volunteers.

For some people, an important function of our volunteering programme is the opportunity it offers to start a career with Thames Reach and in the homelessness sector more broadly. For these people, including those with lived experience of using our services, we are keen to continue providing the best support possible, and to provide clear routes into paid employment.

Over the next year, we will create new and flexible volunteering opportunities, better defining the role and strengthening ties between teams and volunteers so that everyone gains what they need to from a placement. We will also be organising our own volunteer fairs, as well as attending fairs across London, in order to reach more people.

Above all, we will ensure that our placements provide valuable, meaningful experience for the people that volunteer with us.

Background to the business plan

2021/22 was the third and final 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 workplan 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. Our business plan set out how we would do this in three key areas:

Prevention: 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/business-plan-2019-22/>

Achievements and performance

In the last year we developed a new internal reporting system which has enabled us to improve our existing services in order to better achieve our aims of preventing homelessness and promoting independence by preventing evictions from our services and increasing move-on.

We have focused on reducing the number of evictions from our services, our approach is to ensure that eviction is only used as an absolute last option to manage risk to other people using the service. We have introduced a system of review after every eviction in hostels looking at what could have been different in the environment, the support, and interactions with staff to better manage risk, prevent incidents and reduce evictions further. This has enabled us to half the number of evictions from our hostels and supported housing.

We have also increased the number of people who have moved on positively from our accommodation services, from 52 people in 2020/21 to 73 people in 2021/22. These positive move-

ons are planned with people using our services and they are moves to accommodation which is more independent, or which better meets their health needs.

We believe that good quality work is an important protective factor against homelessness, and so we want to increase the number of people in good quality employment within our services. Last year our employment and skills team supported over 200 people into jobs.

Delivering the business plan: year 3

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 does 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.

Our Deptford Reach service has developed a community outreach programme, delivering sessions in foodbanks and places of worship across the borough of Lewisham and in 2021/22 it delivered prevention advice to 1,032 people.

We are also working towards our business plan objective of increasing access to affordable accommodation. In the last year we have developed our partnership with the GLA and Cromwood Housing and now support over 300 tenants in private rented sector accommodation with rent set at Local Housing Allowance rates. We have also worked with Hackney to use a previous empty building to provide 12 units of shared accommodation at Local Housing Allowance rates.

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 into accommodation, giving them the best chance to escape from sleeping rough long term.

In the last year we have started delivering a new street outreach and Housing First contract in Hammersmith and Fulham, helping people away from the streets and the providing the support they need to prevent a return to rough-sleeping.

Thames Reach now deliver 12 street outreach contracts across London and East Surrey, and in the last year our outreach workers met 3,759 new rough sleepers and supported 1,289 moves away from the street into accommodation.

During the last year local authorities have continued to make bed and breakfast and other temporary accommodation available to people sleeping rough as a response to severe weather and public health guidance around Covid. We have been working closely with commissioners in the City of London and in Ealing to provide assessment and resettlement support to quickly move people into more sustainable long-term housing.

Our hostels, including a new Lambeth hostel in Acre Lane, provide support and accommodation for people who often have a history of rough sleeping. In the last twelve months our hostels accommodated 271 people.

Recovery

Our recovery services help people who have previously been homeless to move forward with their lives. We know that the journey away from homelessness is about more than finding a home. We work to help them maximise independence, improve their physical and mental health, build supportive relationships and access opportunities to find long term, sustainable work.

The Tenancy Sustainment team, supporting 900 former rough sleepers to link into community services and build skills for independent living, is an important element of our recovery services and we were successful in retendering for this contract. A new service with greater focus on local support and access to health services starts in April 2022.

In the last year we have worked to improve access to substance misuse services for people using our hostel accommodation through the creation of substance misuse navigators.

In December 2020 we were approached by Lambeth Substance Misuse services to join the Integrated Health Network (IHN), a team made up of NHS nurses, Groundswell peer support workers and South London and Maudsley psychologists working across the Vulnerable Adults Pathway in the borough. We were asked to join the network due to our knowledge and expertise around outreach and accommodation provision in the borough, as the IHN's main aim is to improve access to and retention in substance misuse treatment for homeless or hostel-based clients. In July 2021 we recruited two recovery workers who remain in post. Feedback around their work has been extremely positive, with an average of eight clients either newly engaged or re-engaged with treatment services each quarter and improved communication between partner agencies involved in the IHN.

Our work in the Lambeth Living Well Network Alliance is focused on improving access to mental health services within the community and we recently started delivery a new Staying Well service working with GPs to improve community support for people with serious mental ill-health.

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

- Our Floating support services provided support to 2,596 people living in their own homes last year to prevent evictions and access community services.
- Our Brief Intervention services working within the Alliance worked with 944 people.

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. We benchmarked roles in Central Services and some adjustments were made to ensure we continue to attract a high calibre of employees.

We recognise the trade union UNISON and are aligned to the National Joint Council. The nationally recognised pay increase for 2021/22 was 1.75%.

Messages

We have continued to use our organisational influence with local regional and central government to draw attention to the key issues faced by people affected by street homelessness, and to propose solutions where we can. In the year we have been particularly focused on the needs of people with no or limited recourse to public funds because of their immigration status (especially around

employment and affordable housing); the need for move-on accommodation and support to help people move on from temporary accommodation; and the barriers faced by people with complex needs when they seek to access the health services that they need. We have used our website and our external newsletter to raise awareness of the work that we do, and the challenges faced by the people that we work with.

Use of property

Thames Reach Charity now owns 17 Brokerage and Resettlement in Lambeth (BRiL) properties, three 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).

During 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 the process of applying for planning permission for residential accommodation on the site continues. If successful, the income derived from the sale of the site will support the continued delivery of prevention services in south east London.

Our application for our subsidiary organisation to become a Registered Social Landlord continues with significant progress being made in clarifying the regulator's questions about the structure and strategy of Thames Reach Housing. The key driver behind this application is the opportunity to take ownership of the Robertson Street hostel.

Financial resilience

We aim to maintain a diverse funding portfolio, with trusts and foundation, health funding and income directly raised from the members of the public all forming elements of our income. However, the largest part of our service delivery is funded by contract income from local and regional government. The duration of this funding has been uncertain over the last few years, with central government the ultimate source of the majority. The government spending review in the autumn of 2021 confirmed levels of funding for the three years from April 2022, which provides welcome stability, and started a process of moving from ad-hoc to longer term contracts. Our asset base continues to be strong as set out above, and we reviewed our approach to corporate and individual fundraising in the course of the year and have begun a process of investment in this and our communications work.

Supporting employees

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 introduced a three-year People plan which will enable the Thames Reach business plan by attracting and developing a highly motivated and talented workforce and building on a culture where employees can thrive. We will continue to recruit, retain and develop a motivated, engaged and diverse workforce. We will work together as one organisation, unified by our shared values and ethos.

We have increased our workforce year-on-year in response to expansions in the work that we do, particularly in street outreach and other intervention services. To facilitate this we have looked at,

and continue to look at, our approach to recruiting and developing our staff and have introduced an applicant tracking system and online pre-employment tests.

Employee wellbeing is important to us. We have increased the number of wellbeing initiatives including supporting employees to become Mental Health First Aiders and introduced reflective practice in relevant services. Our highly acclaimed trainee programme is the entry point for many people seeking employment at Thames Reach and remains extremely popular.

Thames Reach provides learning and development opportunities at all levels of the organisation including sponsored long-term study and accredited leadership courses. Four employees were enrolled in vocational degree accredited courses which will benefit them as well as the organisation.

Governance

We have an engaged Board of Trustees. The Board is discussed in more detail below. During the year a key area of focus has been the development of the Thames Reach Housing subsidiary and the work associated with this including the review of our Intra-Group Agreement and revisions of governing documents such as the governance handbook to reflect the relationships within the group. In addition, the board has worked on the development of our organisational strategy as set out in our new business plan for the period April 2022 to March 2025.

Communicating and influencing

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 has continued to engage 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 new Life Off the Streets Executive Board, which replaces the Mayor's No Nights Sleeping Rough Task Force and aims to coordinate an effective response to the issues raised by rough sleeping between local, regional and central government, health and social care and the voluntary sector.

Structure, Governance and Management

Risk factors

Our organisational risk register is reviewed at least annually on behalf of the Board by the Governance and People sub-Committee, with individual sub-Committees leading on relevant risk areas conducting detailed reviews of risks and mitigations, and identifying changes in existing risks and new risks, and changes to mitigations. These procedures identify any significant risks and monitor progress and planning in relation to management of organisational risks.

Risks are evaluated on a matrix of impact and probability, together with any mitigation. 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.

1) Fundraising

The fundraising landscape was particularly challenging in 2021/22. Like all charities, we continued to need to adapt to changing circumstances and guidelines, lockdowns and cancellations. The second year of the pandemic particularly impacted fundraising from trusts and foundations, as grant-makers saw significantly increased competition for funds. Thames Reach's income from individual and corporate donors remained broadly static but we did see income from grants reduce.

In 2021 we commissioned an external review of our fundraising activity and based on recommendations from this review have begun to invest in the fundraising team by recruiting a new role, Head of Fundraising and Communications. We also invested in a new CRM database, which will be a vital piece of infrastructure as we look to consolidate and grow our fundraising streams. We believe there is significant opportunity to diversify income and grow the proportion of income coming from fundraising.

2) Safeguarding, use of volunteers and good governance

The Director of Operations is the organisational safeguarding lead and the Services Committee receive reports on a quarterly basis on incidents and the number of safeguarding alerts made. In 2021/22 Thames Reach staff raised 116 safeguarding alerts.

We raise an alert with local authority safeguarding teams where we believe that there is a vulnerable adult at risk of abuse, including self-neglect, financial abuse, physical abuse, sexual abuse, radicalisation, or institutional abuse. A safeguarding alert alone will not prevent abuse, and staff continue to work pro-actively with other involved professionals, including mental health teams, to identify longer-term solutions.

All employees and volunteers have safeguarding training as part of the induction with the organisation. Thereafter employees and volunteers attend regular refresher sessions. Safeguarding is considered in all aspects of frontline roles.

3) Going concern

In the financial review section below the overall health of Thames Reach's position is discussed. As part of the Trustees review of the appropriateness of adopting the 'going concern' basis for preparing the annual accounts an analysis of performance during the 2021/22 year and a number of projections were performed. The bulk of Thames Reach's operating costs relates to staff costs. Because of this, our staffing is arranged with generic job descriptions that allow redeployment in the event of a service being 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 two years or less are staffed on a fixed term contract. Trustees maintain a contract tracker to identify services that are contracted for longer than two years, meaning that staff are on permanent contracts, for any indication that they will be decommissioned.

There has been increased funding to the sector from the Ministry of Housing, Communities and Local Government (Department of Levelling Up, Housing and Communities from September 2021) over the past three years and as a result, there have been thriving opportunities for vacancies and redeployment. The exposure of Thames Reach to contract loss is assessed and the lost contribution to core costs as well as potential redundancy costs are considered, however 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 this was thought unlikely. 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 £22,094,651 (2021: £20,393,857) - an increase on last year of 8%. Resources expended was £22,240,744 (2021: £20,957,459) which was 6% more than last year. In keeping with previous years, 99% of all expenditure was incurred on direct charitable activities. Total Fundraising and publicity costs represent less than 1% of the proportion of total income generated.

Thames Reach does not own the hostels and flats that it manages, other than the 17 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 (Bondway). We strive to maximise use of these buildings to help funding the work of our employment services and we operate a five-year rolling programme of renewal in relation to furniture and equipment.

Thames Reach continues to maintain its record of financial stability and the maximisation of our use of resources on direct charitable expenditure. To ensure this, the Board, through the Finance, Audit and Fundraising Committee together with its Treasurer will continue to closely monitor the levels of reserves required, alongside looking at further opportunities for maximising 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 level of reserves and the reserves policy is reviewed annually 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, we would need to review our involvement considering the necessity 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 targeted on building a general fund of between 9% to 10% of income, or around £2 million. The General Fund is held partially to allow for working capital and for capacity and time to restructure in the event of a decrease in income or significant increase in costs. At year end the General Reserve was £1,490,933 (2021: £1,522,238). 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.

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 (to 28 June 2022);
- Lee Lochab, Director of Finance and Central Services (in post from 3 October 2022);
- Catherine Parsons, Director of Operations;
- Joanna Mark-Richards, Director of People (in post from 11 October 2021)

Trustees 2021/2022

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. Despite the need to comply with restrictions as a result of the pandemic the Board and sub-Committees continued with their work without significant interruptions.

Stephen Howard (Chair)
Vasim Ul Haq (Vice Chair and Treasurer)
Peter Davey
William Flenley KC
Tony McBrearty
Michael Scorer
David Ford
Elizabeth Clowes (resigned 19 November 2021)
Becca Taber
Simon Rawson
Olukemi Jeboda
Louise Wilson
Georgina Thompson
Bill Tidnam* (Chief Executive and Company Secretary)

*Executive salaries

Bill Tidnam, Chief Executive £115,923 (salary of £97,432 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 4.5:1. Senior salaries (members of the organisation's Senior Management and Leadership Teams) are benchmarked against similar roles in competitor charities at the point of recruitment, with this process overseen by the Governance and People 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 and People 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.

The year 2020/21 saw four new board members joining the Charity's board and the focus of the year in review has been on the assimilation of these new board members, following the disruption to normal board activities because of restrictions associated with the pandemic, with in-person board awaydays in June and November 2021. These meetings were able to carry out the strategic work that was the basis of the development of the new 2022-25 business plan.

Other developments included the appointment of Olukemi Jeboda to serve additionally on the Thames Reach Housing Board, providing a link between this board and the work of the Governance and People sub-Committee.

The year also saw the review of the governance handbook and intra-group agreement to reflect the introduction of the group structure and the planned registration of Thames Reach Housing with the Regulator of Social Housing.

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, Diversity and Inclusion (see page 18).

Charity Governance Code

The Board has adopted the Nolan Principles of Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership, and complies with the Charity Governance Code. The Board continues to progressively refresh the Board and conduct Board appraisals. Board members are fully appraised in a 360-degree appraisal every three years. During the year several Board members were appraised, and it was agreed they will continue to serve as Board members despite in some instances exceeding nine years total service. The board is conscious of the need to balance board renewal to bring new skills and perspectives to its work, with the desire to retain the expertise and knowledge of longer-term board members, underpinned by regular appraisals. The Board membership is currently 13.

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 UI 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 four Trustee Board meetings during the year and all meetings were quorate. The majority of meetings were held via video conferencing to accommodate the need to limit physical contact during 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 its attention 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, Louise Wilson 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 impact of Thames Reach's services.
- Service user engagement —the service user survey was undertaken in the autumn of 2021, and 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;
- Scrutinising service delivery incidents, the response to these, and lesson and trends from these incidents.

Governance Committee

The Committee met on four 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 Human Resources (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:

- Reviewing group governance to ensure that the relationship between Thames Reach Charity and the Thames Reach Housing subsidiary is clearly defined and reflects the needs and separate regulatory responsibilities of both organisations;
- Reviewing the HR reporting to ensure that they have good and up to date insight into the HR challenges facing the organisation;
- Supporting the implementation of the new people structure (including the appointment of the Director of People);
- 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 and Governance & People Committees. The Chair of the Health & Safety 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. Our new e-learning means all staff can access health and safety information on a more regular basis.

Operationally, we respond to commissioners who require detailed reporting of incidents and are also required to report any serious incidents to the Charity Commission.

Plans for future developments

As set out above the year 2021/22 was the final year of the business plan and a key board task over the course of the year was the development and agreement of the new three year plan. This plan restates the organisation's commitment to working to prevent rough sleeping, to intervene when people are sleeping rough, and to work to support people to recover from the trauma of rough sleeping and to build lives away from homelessness and homelessness services. In addition, the plan sets out our ambition to develop new approaches to prevention, to grow our services in this area, and to build on our successes in delivering services in partnership with health colleagues, as well as the infrastructure we will build to support this work. More details are contained in our 2022-25 business plan: <https://thamesreach.org.uk/business-plan-2022-25/>

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 provided 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 we 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.

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 -2.2%. 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.

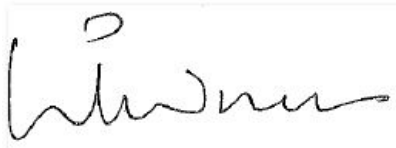
Further information

More information about Thames Reach can be found on our website at www.thamesreach.org.uk or by following 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 2022 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 horizontal line.

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 2022 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 2022 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 pages 17-18, 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 lawyer 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: 19 December 2022

Consolidated Statement of financial activities for the year ended 31 March 2022

	Notes:	Unrestricted funds £ Group	Restricted funds £ Group	Total 2022 £ Group	Total 2021 £ Group
Income					
Income from charitable activities					
Accommodation services	3	9,091,077	-	9,091,077	7,605,252
Support activities	4	10,484,953	1,096,493	11,581,446	11,513,595
Pathways to occupation	5	1,416,312	-	1,416,312	1,271,968
Investment Income		384	-	384	3,042
Other Income		5,432	-	5,432	-
Total Income		20,998,158	1,096,493	22,094,651	20,393,857
Expenditure					
Cost of raising funds		157,114	-	157,114	317,997
Charitable activities		20,824,290	1,259,340	22,083,630	20,639,462
Total expenditure		20,981,404	1,259,340	22,240,744	20,957,459
Net incoming/(outgoing) resources before transfers		16,754	(162,847)	(146,093)	(563,602)
Transfers between funds		(9,273)	9,273	-	-
Net movement in funds		7,481	(153,574)	(146,093)	(563,602)
Fund balances at 1 April 2021		9,578,154	6,519,124	16,097,278	16,660,880
Fund balances at 31 March 2022		9,585,635	6,365,550	15,951,185	16,097,278

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

Balance sheet at 31 March 2022

	Notes:	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Non-current Assets					
Tangible Assets	10, 10a	13,015,290	13,366,453	13,015,290	13,366,453
		13,015,290	13,366,453	13,015,290	13,366,453
Current assets					
Debtors	11	4,145,938	3,658,169	4,150,938	3,663,169
Stock		22,283	-	22,283	-
Cash at bank and in hand		5,708,354	4,908,653	5,703,354	4,903,653
		9,876,575	8,566,822	9,876,575	8,566,822
Creditors: amounts falling due within one year	12	(5,866,737)	(4,903,410)	(5,866,737)	(4,903,410)
Net current assets		4,009,838	3,663,412	4,009,838	3,663,412
Total assets less current liabilities		17,025,128	17,029,865	17,025,128	17,029,865
Creditors: amounts falling due after more than one year		(823,687)	(823,687)	(823,687)	(823,687)
Provision for liabilities	19	(250,256)	(108,900)	(250,256)	(108,900)
Total assets less total liabilities, being net assets	16	15,951,185	16,097,278	15,951,185	16,097,278
Funds					
Restricted funds	14	6,365,550	6,519,124	6,365,550	6,519,124
Unrestricted funds					
Designated funds	15	8,094,702	8,055,916	8,094,702	8,055,916
General funds		1,490,933	1,522,238	1,490,933	1,522,238
Total Restricted and Unrestricted funds		15,951,185	16,097,278	15,951,185	16,097,278

These financial statements were approved by the Board on 21 November 2022 and authorised for issue and were signed on its behalf by:

S. Howard
Chair

V. Haq
Treasurer




Cash flow statement for the year ended 31 March 2022

	Group 2022 £	Group 2021 £
Net cash inflow from operating activities	823,648	(35,126)
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	(23,947)	(260,262)
Proceeds on disposal of Investment	-	-
Cash inflow from financing activities	-	-
(Decrease)/Increase in cash	799,701	(295,388)
Reconciliation to changes in resources		
Net income before transfers	(146,093)	(563,602)
Loss on assets written off	5,000	3,294
Depreciation of tangible fixed assets	370,110	370,284
Increase/(Decrease) in provisions	141,356	-
(Increase)/Decrease in Stock	(22,283)	-
(Increase)/Decrease in debtors	(487,769)	(859,353)
Increase/(Decrease) in creditors	963,327	1,014,251
	823,648	(35,126)
Net cash inflow from financing activities		
Long-term loan	-	-
Reconciliation of net cash flow		
(Decrease)/Increase in cash	799,701	(295,387)
Balance at 1 April 2021	4,908,653	5,204,040
Balance at 31 March 2022	5,708,354	4,908,653

Notes to the financial statements for the year ended 31 March 2022

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 Thames Reach Housing 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.

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 future results could differ from such estimates.

The depreciation of the components of Thames Reach's housing properties have been made using a matrix provided by Savills 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.

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 £2,000 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

Freehold and leasehold buildings purchased prior to 31st March 2018 are depreciated over 50 years. Thames Reach now 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

g) Pensions

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

h) 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 2022 £	Total 2021 £
Support services	3,953,119	-	3,953,119	3,488,773
Rental income	4,419,640	-	4,419,640	3,581,472
Other income	718,318	-	718,318	535,007
	<u>9,091,077</u>	<u>-</u>	<u>9,091,077</u>	<u>7,605,252</u>

4. Support activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
London Councils	-	397,235	397,235	397,235
Support contracts	253,000	-	253,000	338,937
GLA	5,647,192	649,147	6,296,339	4,331,939
Health Commission	-	-	-	1,698,075
London Borough of Lambeth	435,794	-	435,794	351,932
London Borough of Lewisham	-	-	-	73,682
London Borough of Hackney	611,593	-	611,593	714,888
London Borough of Croydon	-	-	-	126,054
London Borough of Hammersmith and Fulham	113,609	-	113,609	-
London Borough of Haringey	207,480	-	207,480	161,576
London Borough of Brent	828,583	-	828,583	828,583
London Borough of Enfield	77,924	-	77,924	79,258
London Borough of Greenwich	-	-	-	335,690
London Borough of Newham	184,299	-	184,299	617,996
Trust Income	142,017	18,041	160,058	427,962
Other Income	1,748,442	30,750	1,779,192	983,972
Donations	235,020	1,320	236,340	45,816
	<u>10,484,953</u>	<u>1,096,493</u>	<u>11,581,446</u>	<u>11,513,595</u>

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By activity	Accommodation / Community Support	Outreach	Tenancy Sustainment	Total 2022	Total 2021
	£	£	£	£	£
London Councils	-	397,235	-	397,235	397,235
Support contracts	-	253,000	-	253,000	338,937
GLA	-	2,047,480	4,248,859	6,296,339	4,331,939
Health Commission	-	-	-	-	1,698,075
London Borough of Croydon	-	-	-	-	126,054
London Borough of Hammersmith and Fulham	-	113,608	-	113,608	-
London Borough of Hackney	288,007	323,585	-	611,592	714,888
London Borough of Lewisham	-	-	-	-	73,682
London Borough of Greenwich	-	-	-	-	335,690
London Borough of Newham	-	184,299	-	184,299	617,996
London Borough of Haringey	-	207,480	-	207,480	161,576
London Borough of Brent	828,583	-	-	828,583	828,583
London Borough of Enfield	-	77,924	-	77,924	79,258
London Borough of Lambeth	-	435,794	-	435,794	351,932
Trust Income	159,031	1,026	-	160,057	427,962
Other Income	163,459	1,615,733	-	1,779,192	983,972
Donations	236,343	-	-	236,343	45,816
	<u>1,675,423</u>	<u>5,657,164</u>	<u>4,248,859</u>	<u>11,581,446</u>	<u>11,513,595</u>

5. Pathways to occupation

	General funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
London Borough of Southwark	134,728	-	134,728	138,866
London Borough of Lambeth	267,215	-	267,215	93,637
London Borough of Lewisham	89,155	-	89,155	-
Trusts – Other	266,108	-	266,108	379,983
Donations	473	-	473	78,567
Other income	658,633	-	658,633	580,915
	<u>1,416,312</u>	<u>-</u>	<u>1,416,312</u>	<u>1,271,968</u>

6. Total Expenditure

	Staff Costs	Other Costs	Total 2022	Total 2021
	£	£	£	£
Costs of raising funds	150,154	6,960	157,114	317,997
Charitable activities				
Accommodation	3,638,152	3,502,357	7,140,509	6,814,862
Support Activities	8,164,190	3,040,962	11,205,152	12,666,835
Pathways to occupation	2,372,443	1,365,526	3,737,969	1,157,765
	<u>14,174,786</u>	<u>7,908,845</u>	<u>22,083,630</u>	<u>20,639,462</u>
	<u>14,324,940</u>	<u>7,915,805</u>	<u>22,240,744</u>	<u>20,957,459</u>
Total 2021	<u>13,559,066</u>	<u>7,398,393</u>	<u>20,957,459</u>	

Analysis of Governance and support costs	Total 2022	Total 2021
	£	£
Support Costs		
Staff training and recruitment	226,240	172,631
Rent and service charges	604,743	504,834
IT support and equipment	745,860	855,867
Travel costs	260,167	301,402
Partnership contracts	549,742	421,604
Property costs	1,883,519	1,979,647
Insurance	265,993	186,077
Telephone and communication costs	247,777	306,869
Printing, postage, stationery and publicity	27,334	27,308
Food	110,637	104,324
Legal and professional	163,578	64,231
Tenants and clients' welfare	1,055,311	911,504
RSL management and maintenance	1,019,888	938,699
Other direct costs	719,303	602,995
	7,880,092	7,377,992
Governance Costs		
Audit fee	35,713	20,400
	7,915,805	7,398,392

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 £314,049 (2021: £305,778).

8. Employees

	2022	2021
	Number	Number
Average monthly number of employees (Headcount) during the year	415	397
Average monthly number of employees (Full time equivalent) during the year)		
Housing and project services	360	343
Fundraising and publicity	2	2
	362	345

Analysis of staff costs	2022	2021
	£	£
Wages and salaries	11,018,709	10,185,251
Social security costs	1,062,106	989,005
Other pension costs	693,554	658,209
Agency, relief and volunteer costs	1,551,382	1,726,601
	14,325,751	13,559,066

The total amount of redundancy payments awarded in the year is £4,638 (2021: £0). Settlement agreements totalled £32,500 in year 2022 (2021: £0).

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

	2022	2021
£90,001-100,000	1	1
£80,001-90,000	1	1
£70,001-80,000	1	1
	<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 2021	15,351,494	951,662	16,303,156
Additions	-	23,947	23,947
Disposals	-	-	-
Reclassification	(5,000)	-	(5,000)
At 31 March 2022	<u>15,346,494</u>	<u>975,609</u>	<u>16,322,103</u>
Depreciation			
At 1 April 2021	2,123,133	813,571	2,936,704
Charge for the year	304,048	66,061	370,109
Disposals	-	-	-
At 31 March 2022	<u>2,427,181</u>	<u>879,632</u>	<u>3,306,813</u>
Net book value			
At 31 March 2022	12,919,313	95,977	13,015,290
At 31 March 2021	13,228,361	138,091	13,366,452
Group	Freehold and Leasehold property	Furniture, fittings, equipment & motor vehicles	Total
	£	£	£
Cost			
At 1 April 2021	15,351,494	951,662	16,303,156
Additions	-	23,947	23,947
Disposals	-	-	-
Reclassification	(5,000)	-	-
At 31 March 2022	<u>15,346,494</u>	<u>975,609</u>	<u>16,322,103</u>
Depreciation			
At 1 April 2021	2,123,133	813,571	2,936,704
Charge for the year	304,048	66,061	370,109
Disposals	-	-	-
At 31 March 2022	<u>2,427,181</u>	<u>879,632</u>	<u>3,306,813</u>
Net book value			
At 31 March 2022	12,919,313	95,977	13,015,290
At 31 March 2021	13,228,361	138,091	13,366,452

11. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Charges and grants receivable	2,531,051	3,025,084	2,531,051	3,025,084
Rent arrears	501,915	535,915	501,915	535,915
Inter-company receivables	-	-	5,000	-
Other debtors	1,112,972	97,170	1,112,972	102,170
	<u>4,145,938</u>	<u>3,658,169</u>	<u>4,150,938</u>	<u>3,663,169</u>

12. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	650,007	937,525	650,007	937,525
Taxes and social security cost	333,067	282,364	333,067	282,364
Grants in advance	4,057,663	3,001,075	4,057,663	3,001,075
Other creditors	826,000	682,446	826,000	682,446
	<u>5,866,737</u>	<u>4,903,410</u>	<u>5,866,737</u>	<u>4,903,410</u>

13. Pension costs

Thames Reach contributes to a defined contribution scheme for employees. Contributions payable to the scheme for the year were £693,554 (2021: £658,209).

14. Restricted funds

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

	Balance at 1 April 2021	Income 2022	Expenditure 2022	Transfers in funds 2022	Balance at 31 March 2022
	£	£	£	£	£
Capital Fund – Employment Academy	3,352,961	-	(84,203)	-	3,268,758
Capital Fund – Robertson Street Hostel	1,318,557	-	(41,838)	-	1,276,719
Hilary Stent Fund	9,954	1,320	-	-	11,274
London Councils funded outreach team	31,923	-	-	-	31,923
Capital fund for BRiL	545,970	-	(4,763)	-	541,207
Trust funded Health projects	260,540	679,897	(679,902)	-	260,535
Safe Connections funding	53,077	-	(2,108)	-	50,969
Lambeth funding	88,240	-	-	-	88,240
Deptford Reach property	853,711	-	(17,786)	-	835,925
Other Restricted funding	4,191	415,276	(428,740)	9,273	0
	<u>6,519,124</u>	<u>1,096,493</u>	<u>(1,259,340)</u>	<u>9,273</u>	<u>6,365,550</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.

London Councils funded outreach team: This fund is restricted for our Sustainment Tenancy and Resettlement team.

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.

Lambeth Funding: funding for our Lambeth Offender's Team.

Deptford Reach property: This represents the property value and is written down as per accounting policy 2f.

Other Restricted Funds: this is funding for posts at our hostels and other projects.

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 2021	Income 2022	Expenditure 2022	Transfers in funds 2022	Balance at 31 March 2022
	£	£	£	£	£
Functional Fixed Assets Reserve	6,471,566	-	-	-	6,471,566
Office leases	28,261	-	-	-	28,261
Sinking Fund	538,274	-	-	104,286	642,560
Staff	232,314	-	(27,500)	-	204,814
IT and infrastructure	10,527	-	-	-	10,527
Vital Regeneration	246,631	-	-	-	246,631
Deptford Reach building fund	18,343	-	-	-	18,343
New Business Development	510,000	-	(38,000)	-	472,000
	<u>8,055,916</u>	<u>-</u>	<u>(65,500)</u>	<u>104,286</u>	<u>8,094,702</u>

Office Leases: This fund is to provide for office relocation and set up. We currently have office premises in Brent, Croydon, Hackney, Hammersmith and Redhill.

Sinking Fund: This fund is for major repairs to the fabric of buildings we own: Thames Reach Employment Academy, Elmfield and Hudson House. The transfers in funds represents an additional sum transferred from general funds.

Staff: Fund set aside for non-budgeted costs required to meet contractual obligations such as maternity/parental leave and redundancy.

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: 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. In addition, we will use the fund to start new projects whilst funding is being agreed.

16. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	7,092,681	5,922,609	13,015,290
Current assets	9,433,634	442,941	9,876,575
Non-Current liabilities	(823,687)	-	(823,687)
Creditors: amounts falling due within one year	(5,866,737)	-	(5,866,737)
Provisions for Liabilities	(250,256)	-	(250,256)
	9,585,635	6,365,550	15,951,185
As at 31 March 2021	9,578,154	6,519,124	16,097,278

17. Contingencies and commitments

Commitments under operating leases

At 31 March 2022 the organisation had annual commitments under non-cancellable operating leases as follows:

	2022 Land and buildings £	2022 Other £	2021 Land and buildings £	2021 Other £
Expiry date:				
Within one year	156,019	5,043	156,019	4,768
Between two and five years	292,598	-	438,897	-
In over five years	-	-	-	-
	448,617	5,043	594,916	4,768

18. Subsidiary

At 31 March 2022 the charity had one subsidiary, Thames Reach Housing, that has not begun trading.

19. Provisions

This is a provision against future major furniture and equipment replacement.

	£
Balance as at 31st March 2021	108,900
Movement in Year	141,356
Balance as at 31st March 2022	250,256