

Trident Reach The People Charity

Trustees' Report and Financial Statements

For the year ended 31 March 2024

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 9
Independent auditor's report on the financial statements	10 - 13
Statement of financial activities	14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 32

Trident Reach The People Charity
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 31 March 2024

Trustees	Brian Carr, Chair Yasmin Fearon (resigned 24 June 2024) Stephen Gabriel (resigned 24 June 2024) Chris Handy Simon Hatchman Paul Hayward Bal Kaur Yvonne Leishman (resigned 1 January 2024) Patrick McCarthy (resigned 24 June 2024) John Morris (resigned 31 August 2023) Nicholas Murphy Jamie Whitmore David Harris Helen Litherland Gareth Price Nigel Wilson (appointed 1 September 2023) Amandeep Gill-Knobbs (appointed 24 June 2024) Mohammed Mushtaq (appointed 24 June 2024)
Company registered number	06761385
Charity registered number	1129187
Registered office	12 Fairlie House Trident Close Erdington Birmingham B23 5TB
Administrative office	239 Holliday Street Birmingham B1 1SJ
Company secretary	David Harris
Senior management team	John Morris, CEO (to 31 August 2023) Nigel Wilson, CEO (from 1 September 2023) David Harris Christopher Derby (resigned 31 March 2024) Helen Litherland Gareth Price

Trident Reach The People Charity
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the year ended 31 March 2024

Independent auditor	Dains Audit Limited 2 Chamberlain Square Paradise Birmingham B3 3AX
Bankers	National Westminster Bank 1 St Phillips Place Birmingham B3 2PT

Trustees' report
For the year ended 31 March 2024

The Trustees present their annual report together with the audited financial statements of the Trident Reach The People Charity for the year 1 April 2023 to 31 March 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Structure, governance and management

● **Constitution**

Trident Reach The People Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association signed 20 November 2008.

● **Methods of appointment or election of Trustees**

The board of Trustees are appointed after a rigorous recruitment process which involves a formal induction programme. Trustees are selected based on their knowledge and skills so they can fill any skills gaps. The aim is to ensure the Trustees are highly skilled so they can perform at the highest level in their governance of the charity.

● **Organisational structure and decision-making policies**

Whilst the Board is responsible for the overall strategy and policy of Trident Reach, day-to-day matters are delegated to the Group Chief Executive, who attends all Board meetings. Also in attendance at the Board meetings are the Group Finance Director and the Executive Team.

Trident Reach is a subsidiary of Trident Housing Association Limited (THA), the legal parent of the Trident Group. Trident Reach is a registered charity and set up to run the care and support part of the business. It owns no properties but uses a number of THA properties to provide services. The services provided extend across Birmingham, Sandwell, Wolverhampton, Dudley, Coventry, Worcestershire, Warwickshire, South Derbyshire and Shropshire.

The Board of Trustees meet at least four times a year and each board meeting is structured to have themes linked to the corporate calendar and corporate plan, as well as considering specific business that has arisen since the previous meeting. Main themes include the business plan and strategic direction of the charity, performance of existing contracts, setting budgets for the next financial year, approving statutory accounts, reviewing annually terms and conditions, reviewing the corporate risk register and Safeguarding of our staff and customers.

Structure, governance and management (continued)

● Risk management

The Trustees review and challenge the risk register for the Trident Group and specifically for Trident Reach as a standing item on every meeting agenda. The risk register is maintained by the Executive and supported by operational risk registers that we use to make us aware of any emerging risks across the business.

The current highest Strategic Risks within Trident Reach are:

- Governance
- Finance
- Health and Safety of colleagues and service users

Financial Risk in Reach is caused by the low margins we see in this sector. However, Reach carries no debt and has built up significant financial reserves. There is a specific risk in the next twelve months around the retendering of significant contracts with Birmingham City Council, the results of which are not known at time of writing. However, as we have a strong track record of service delivery, we feel confident that we will attract a large proportion of the new contracts.

Governance risks are multi-faceted within Trident Reach and impacted by Trident Housing's Governance rating with the Regulator of Social Housing as well as the Charities Commission and Care Quality Commission.

Health and Safety of our Colleagues and Services Users will always remain a priority and we have excellent safeguarding procedures in place to manage this.

All of our strategic risks are measured by KPIs which will give us an Early Warning of a risk materialising or subsiding. In our business planning we run numerous stress tests and multi-variant tests to ensure the Trident Group and its subsidiaries are financial strong.

Objectives and activities

● Objectives

The key objectives of the charity given in the Memorandum of Association are:

- To provide care and support and related services for the relief of the aged, the infirm, the sick and others in necessitous circumstances; and
- To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

● Our Vision

Trident Reach the People Charity is a people first organisation working in partnership to maximise positivity, independence, and participation. As part of the Trident Group, we are a **beacon of hope** for our communities.

● Our Aims

To support people and communities to:

- Exercise choice and maximum control over their own lives and communities.
- Have access to training, education, or work-like activities to live independently.
- Participate as active and equal citizens both economically and socially.
- Develop social contacts and access leisure activities to help reduce the effects of isolation and achieve community integration; and
- Work in partnership to enable people and communities to enhance their own economic situations and contribute to the local economy.

Achievements and performance

● Performance in the period

In delivering a surplus of £84k in 2023/24, Trident Reach has utilised 99.5% of its turnover on the vital services we deliver across our communities. Through challenging times, Trident Reach has remained a Beacon of Hope for the communities and customers we serve.

A new Chief Executive has successfully been appointed to take us through a new strategic plan. Our ethos will remain anchored in housing, care and support. Our new Strategic plan has four key objectives.

- Our people – People are the focus of our business and services.
- Our Homes – Quality homes in places residents feel safe and are proud to live in.
- Our Business – Building a stronger, sustainable, independent business.
- Our Care and Support – Working as a Beacon of Hope to individuals, families and communities.

Trident Reach has delivered care and support activity to 8,000 customers during the year covering a wide geography in 15 Local Authorities across the West and East Midlands, servicing a number of needs including homelessness, care homes and housing and care for people with learning disabilities.

Financial review

● Review of the year

Trident Reach has posted a surplus for the financial year of £84k (2023: £57k).

The charity has paid close attention to its cost base and, in spite of cost pressures including those associated with the rise in inflation, has been able to keep its overall cost increase below the growth in income.

Total reserves for the charity at 31 of March 2024 are £2.5m (2023: £2.4m) with £2.3m being unrestricted (2023: £2.0m) and £164k restricted (2023: £391k). Much of the reserves at 31 March 2024 are held in cash resources of £1.7m (2023: £979k) and the charity has no debt in place.

The Trustees have reviewed the risks of the charity, especially in the light of the current levels of cost inflation. Margins are tight in the sector and a small movement in costs or loss of contract could pose a challenge.

The budget and the long-term business plan for the Charity, as well as the wider Group, has been stress tested and is found to be financially sound.

● Going concern

The statutory accounts show a surplus of £84k. The budget for 2024/25 is showing a surplus of £70k. The Executives are confident of meeting this budget position and have had additional income of circa £140k confirmed since we set the budget.

The Charity had cash of £1.7m and reserves of £2.5m (with £0.2m restricted) as at 31 March 2024 with no debt and therefore no loan covenants to meet.

Although financial margins are low (as is usual in this sector), Trident Reach is financially stable. The Executives monitor margins on all individual projects to mitigate the risk that Reach slips into deficit. The housing assets are owned by Trident Housing Association which gives us flexibility to repurpose properties at the end of certain contracts or if existing usage becomes less viable.

There is a key risk around contracts with Birmingham City Council which are ending in November 2024. We are currently in the bidding process for the replacement contracts which will conclude in August 2024. The amount of contracts we win may match or even exceed the existing level of contracts, however our budget assumes that we win an equivalent of 70%. If we were to win less than the budget target we will need to review staffing across the organisation. However, we feel confident that will retain contracts due to our strong performance on these contracts in the last five years.

We work to a set of Golden Rules for Trident Reach ensuring that new projects meet a 9% profit margin (after all overheads). We also ensure that Reach is not more than 50% of the Trident Group (currently running at 40%).

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Trustees' report (continued)
For the year ended 31 March 2024

● **Reserves policy**

The Trustees regularly review free reserves to ensure there are adequate funds to support the activities that Trident Reach undertakes and to meet financial commitments as they become due. The trustees consider that unrestricted reserves should be at a level to cover at least the total staffing closure cost of Trident Reach.

● **Fundraising**

Trident Reach received donations of £2,490 (2023: £1,104). There is no dedicated fundraising team and professional fundraisers are not used. Given the low relative value of donations from third parties the charity is not registered with the Fundraising Regulator. The charity has policies in place to ensure compliance with best fundraising practice which prohibit persistent approaches and undue pressure to give.

Funds held as custodian

At 31 March 2024, the charity held funds of £134,318 (2023: £333,288) on behalf of clients as custodian trustee. This amounts are held in separate bank accounts and are not included in the Charity's balance sheet.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Plans for the future

Trident Reach will continue to deliver current contracts where financially viable, but also look for new opportunities. As demands on the care and support sector rise, we are steadfast in our desire to remain proactive in being a service provider for all sections of our communities. We are keen to continue to work in all of our existing local authorities, however we will need to ensure this is beneficial for all parties. We have retendered for key contracts with Birmingham City Council for supporting Vulnerable Adults with housing and care services and we are confident that our strong track record in these areas will hold us in good stead going forward, not only in Birmingham but in attracting new business for neighbouring local authorities.

The development growth of THA brings opportunities to expand the geography of the services offered by Reach. Any new opportunities will be assessed against our internal "Golden Rules" and careful consideration is made on all new projects to ensure it delivers strong social and financial outcomes. We will only enter a contract where we know we will add value to the service and to the customers.

Trustees' report (continued)
For the year ended 31 March 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Dains Audit Limited, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



Simon Hatchman
Chair of Audit & Risk Committee

Date: 23 September 2024

Independent Auditor's Report to the Members of Trident Reach The People Charity

Opinion

We have audited the financial statements of Trident Reach The People Charity (the 'charity') for the year ended 31 March 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Trident Reach The People Charity (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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 course of 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Independent Auditor's Report to the Members of Trident Reach The People Charity (continued)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Independent Auditor's Report to the Members of Trident Reach The People Charity (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris (Senior statutory auditor)

for and on behalf of

Dains Audit Limited

Statutory Auditor

Chartered Accountants

Birmingham

23 September 2024

Trident Reach The People Charity
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies		2,490	-	2,490	1,104
Charitable activities	4	16,765,242	412,543	17,177,785	17,008,250
Investments		13,659	-	13,659	-
Total income		16,781,391	412,543	17,193,934	17,009,354
Expenditure on:					
Charitable activities	5	16,639,229	470,431	17,109,660	16,952,763
Total expenditure		16,639,229	470,431	17,109,660	16,952,763
Net income/(expenditure)		142,162	(57,888)	84,274	56,591
Transfers between funds	13	169,501	(169,501)	-	-
Net movement in funds		311,663	(227,389)	84,274	56,591
Reconciliation of funds:					
Total funds brought forward	13	2,049,513	391,524	2,441,037	2,384,446
Net movement in funds		311,663	(227,389)	84,274	56,591
Total funds carried forward	13	2,361,176	164,135	2,525,311	2,441,037

The notes on pages 17 to 32 form part of these financial statements.

Trident Reach The People Charity
(A company limited by guarantee)
Registered number: 06761385

Balance sheet
As at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	141,763	222,850
Current assets			
Debtors	11	2,037,320	3,061,150
Cash at bank and in hand		1,745,869	978,931
		<u>3,783,189</u>	<u>4,040,081</u>
Creditors: amounts falling due within one year	12	(1,399,641)	(1,821,894)
Net current assets		<u>2,383,548</u>	<u>2,218,187</u>
Total net assets		<u><u>2,525,311</u></u>	<u><u>2,441,037</u></u>
Charity funds			
Restricted funds	13	164,135	391,524
Unrestricted funds	13	2,361,176	2,049,513
Total funds		<u><u>2,525,311</u></u>	<u><u>2,441,037</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Simon Hatchman
Chair of Audit & Risk Committee

Date: 23 September 2024

The notes on pages 17 to 32 form part of these financial statements.

Trident Reach The People Charity
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	15	767,188	(1,082,550)
Cash flows from investing activities			
Bank interest received		13,659	-
Purchase of tangible fixed assets		(13,910)	(52,314)
Net cash used in investing activities		(251)	(52,314)
Change in cash and cash equivalents in the year		766,937	(1,134,864)
Cash and cash equivalents at the beginning of the year		978,932	2,113,796
Cash and cash equivalents at the end of the year	16	1,745,869	978,932

The notes on pages 17 to 32 form part of these financial statements

1. General information

The company is incorporated in England and Wales under the Companies Act 2006 and is registered as a charity with the Charity Commission. The address of the registered office is given on page 1. The principal activities of the company are set out within the Trustees' report on page 5. The company is limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Trident Reach The People Charity 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.

2.2 Going concern

The statutory accounts show a surplus of £84k. The budget for 2024/25 is showing a surplus of £70k. The Executives are confident of meeting this budget position and have had additional income of circa £140k confirmed since we set the budget.

The Charity had cash of £1.7m and reserves of £2.5m (with £0.2m restricted) as at 31 March 2024 with no debt and therefore no loan covenants to meet.

Although financial margins are low (as is usual in this sector), Trident Reach is financially stable. The Executives monitor margins on all individual projects to mitigate the risk that Reach slips into deficit. The housing assets are owned by Trident Housing Association which gives us flexibility to repurpose properties at the end of certain contracts or if existing usage becomes less viable.

There is a key risk around contracts with Birmingham City Council which are ending in November 2024. We are currently in the bidding process for the replacement contracts which will conclude in August 2024. The amount of contracts we win may match or even exceed the existing level of contracts, however our budget assumes that we win an equivalent of 70%. If we were to win less than the budget target we will need to review staffing across the organisation. However, we feel confident that will retain contracts due to our strong performance on these contracts in the last five years.

We work to a set of Golden Rules for Trident Reach ensuring that new projects meet a 9% profit margin (after all overheads). We also ensure that Reach is not more than 50% of the Trident Group (currently running at 40%).

2. Accounting policies (continued)

2.2 Going concern (continued)

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is included in the Statement of Financial Activities (SoFA) when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income from donations represents donations and fund-raising activity for individual specified projects supported by the charitable company. Income for charitable activities represents contracts held with third parties, for the delivery of a range of care and support services, and grants for charitable activities that relate to specific funds which allow the charitable company to provide "value added" activities in connection with main contracts.

Revenue from a contract to provide services is recognised in the period in which services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Charity will receive the consideration due under the contract;
- the stage of completion at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under the heading that aggregates all costs related to that category. In addition, appropriate apportionment of support and management costs is charged to give a full cost of running each service. Governance costs include the costs of governance arrangements, which relate to the general running of the charitable company. All expenditure is inclusive of irrecoverable VAT.

2. Accounting policies (continued)

2.5 Interest receivable

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

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is calculated to write off the cost less residual value of fixed assets on a straight line over their estimated lives as follows:

Leasehold renovations	- 5 - 10 years or over the remaining life of the lease
Motor vehicles	- 5 years
Furnishings	- 5 - 7 years
Office furniture	- 5 - 7 years
Computer & software	- 3 - 10 years

2.8 Debtors

All debtors are short term and are measured at transaction price, less any impairment.

2.9 Cash at bank and in hand

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

2.10 Creditors

All creditors are short term and are measured at transaction price.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.12 Pensions

Short term employee benefits and contributions to defined contribution pension plans are recognised as an expense in the period in which they are incurred.

2.13 Financial instruments

Trident Reach has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise short-term cash deposits and the charity's debtors excluding prepayments. Financial liabilities held at amortised cost comprise the charity's short and long-term creditors excluding deferred income and taxation payable. Financial liabilities held at fair value comprise the charity's provisions. No discounting has been applied on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Most of the current funding is in the form of service contracts, all of which carry specific service targets, but also allow for contributions to central administration costs and the generation of small surpluses to be freely applied, therefore are treatable as unrestricted funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

3. Critical accounting estimates and areas of judgment

In the application of the charity's accounting policies, which are described in note 2, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may be different from these estimates.

Critical accounting estimates and assumptions:

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Notes to the financial statements
For the year ended 31 March 2024

4. Income from charitable activities

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
	£	£	£	£	£	£
Grants for charitable activities						
Deelands 5 - 15 Activities Clarion	-	9,992	9,992	-	-	-
Digitalisation Birmingham Care Homes	-	31,807	31,807	-	-	-
Digitalisation Shropshire Care Homes	-	4,950	4,950	-	-	-
Digitalisation Dudley Care Homes	-	8,960	8,960	-	-	-
Housing First	-	218,668	218,668	-	430,121	430,121
Respite Rooms	-	-	-	-	514,112	514,112
Personalisation	-	138,166	138,166	-	-	-
Subtotal	-	412,543	412,543	-	944,233	944,233
Charitable activities - services						
Residential Care Services	5,541,098	-	5,541,098	4,951,351	-	4,951,351
Domiciliary Care Services	1,704,967	-	1,704,967	1,530,320	-	1,530,320
Mental Health Services	885,653	-	885,653	1,140,590	-	1,140,590
Young People Services	1,676,743	-	1,676,743	1,424,124	-	1,424,124
Older People Services	70,834	-	70,834	106,507	-	106,507
Domestic Violence Services	702,531	-	702,531	976,238	-	976,238
Homeless Services	2,775,659	-	2,775,659	2,685,266	-	2,685,266
Learning Disability Services	698,974	-	698,974	566,349	-	566,349
PURE	367,373	-	367,373	474,501	-	474,501
Deelands Hall	19,652	-	19,652	7,707	-	7,707
Adults	2,321,305	-	2,321,305	2,197,613	-	2,197,613
Other Income	453	-	453	3,451	-	3,451
Subtotal	16,765,242	-	16,765,242	16,064,017	-	16,064,017
Total	16,765,242	412,543	17,177,785	16,064,017	944,233	17,008,250

Notes to the financial statements
For the year ended 31 March 2024

5. Analysis of expenditure on charitable activities

	Direct costs	Support costs	Total	Direct costs	Support costs	Total
	2024	2024	2024	2023	2023	2023
Charitable services	£	£	£	£	£	£
Residential Care services	5,554,885	744,581	6,299,466	4,937,943	694,078	5,632,021
Domiciliary Care services	1,819,519	227,594	2,047,113	1,796,462	214,519	2,010,981
Mental Health services	793,539	118,225	911,764	1,003,652	159,887	1,163,539
Young People services	1,103,854	223,826	1,327,680	1,017,204	199,633	1,216,837
Older People services	45,811	9,456	55,266	72,964	14,930	87,894
Domestic Violence services	448,271	94,976	543,247	479,867	136,848	616,715
Homeless services	2,078,595	388,963	2,467,557	2,335,561	377,821	2,713,382
Learning disability services	464,272	93,305	557,577	434,528	77,989	512,517
PURE	251,110	49,040	300,150	319,326	66,515	385,841
Deelands Hall	28,153	3,957	32,110	21,868	1,080	22,948
Adults	1,787,370	309,868	2,097,238	1,677,385	308,060	1,985,445
Other expenditure	-	60	60	10,235	484	10,719
Subtotal	14,375,378	2,263,852	16,639,229	14,106,994	2,251,844	16,358,838
Charitable grants						
Dedicated Health and Well-being	-	-	-	53,093	-	53,093
Deelands 5 - 15 Activities	661	-	661	-	-	-
Clarion						
Digitalisation Birmingham Care Homes	15,939	-	15,939	-	-	-
Digitasation Shropshire Care Homes	4,180	-	4,180	-	-	-
Digitalisation Dudley Care Homes	8,960	-	8,960	-	-	-
Housing First	244,581	-	244,581	281,327	-	281,327
Ladywood Initiative	19,063	-	19,063	-	-	-
New Horizon - DA Service	-	-	-	66,013	-	66,013
Respite Rooms	162,418	-	162,418	156,280	-	156,280
SWEP	14,630	-	14,630	37,213	-	37,213
Subtotal	470,431	-	470,431	593,926	-	593,926
Total	14,845,808	2,263,852	17,109,660	14,700,919	2,251,844	16,952,763

Notes to the financial statements
For the year ended 31 March 2024

6. Analysis of support costs

	2024	2023
	£	£
Office running costs	70,842	284,697
Telephones	130,368	153,005
Photocopying	91,093	58,843
Postage, printing & stationery	15,592	6,559
Salaries of Central Teams	903,300	842,255
Travel for Central Teams	- 5,672	44,260
ICT	975,188	792,100
Marketing	138	3,826
Professional and legal fees	83,003	66,302
Total support costs	2,263,852	2,251,847

7. Net income/(expenditure)

	2024	2023
	£	£
Net income is stated after charging:		
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,800	7,800
Depreciation of tangible fixed assets	88,730	178,817
Operating lease expense	152,663	228,879

The Charity has taken advantage of the exemption not to disclose amounts paid for non-audit services, including internal audit fees, as these are disclosed in the consolidated accounts of the parent organisation.

Notes to the financial statements
For the year ended 31 March 2024

8. Staff costs

	2024 £	2023 £
Wages and salaries	10,815,482	9,499,106
Social security costs	755,567	710,824
Pension contributions	249,805	215,020
	<u>11,820,854</u>	<u>10,424,950</u>
Agency fees	1,407,709	2,034,891
	<u>13,228,563</u>	<u>12,459,841</u>

Staff costs include £29,613 in respect of redundancy (2023: £17,706) after certain contracts came to an end.

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Office staff	18	17
Care and support	463	486
Maintenance	1	2
	<u>482</u>	<u>505</u>

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	1

All members of key management personnel are remunerated through the parent organisation, a proportion of which is recharged to the Charity and included within the recharges disclosed in note 20.

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

Notes to the financial statements
For the year ended 31 March 2024

10. Tangible fixed assets

	Leasehold renovations £	Motor vehicles £	Furnishings £	Office equipment £	Computers & software £	Total £
Cost						
At 1 April 2023	44,550	123,926	273,897	16,267	462,340	920,980
Additions	3,927	-	-	-	9,983	13,910
Disposals	(18,488)	-	(10,382)	-	-	(28,870)
At 31 March 2024	29,989	123,926	263,515	16,267	472,323	906,020
Depreciation						
At 1 April 2023	25,961	123,619	265,898	16,267	266,386	698,131
Charge for the year	5,922	121	3,410	-	79,277	88,730
On disposals	(14,023)	-	(8,581)	-	-	(22,604)
At 31 March 2024	17,860	123,740	260,727	16,267	345,663	764,257
Net book value						
At 31 March 2024	12,129	186	2,788	-	126,660	141,763
At 31 March 2023	18,589	307	7,999	-	195,954	222,849

11. Debtors

	2024 £	2023 £
Trade debtors	1,486,561	1,136,984
Prepayments and accrued income	550,759	1,924,166
	2,037,320	3,061,150

Notes to the financial statements
For the year ended 31 March 2024

12. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	272,419	331,487
Amounts owed to group undertakings	595,150	378,676
Other taxation and social security	174,324	188,770
Other creditors	37,553	71,310
Accruals and deferred income	320,195	851,651
	<u>1,399,641</u>	<u>1,821,894</u>

Deferred income

	2024 £	2023 £
Deferred income at 1 April 2023	405,518	246,319
Resources deferred during the year	18,572	405,518
Amounts released from previous periods	(405,518)	(246,319)
Deferred income at 31 March 2024	<u>18,572</u>	<u>405,518</u>

Deferred income comprises amounts invoiced under service contracts relating to delivery in the following year.

Notes to the financial statements
For the year ended 31 March 2024

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2024 £
Unrestricted funds					
General funds	2,049,513	16,781,391	(16,639,229)	169,501	2,361,176
Restricted funds					
Digitalisation programme - Birmingham	-	31,807	(15,939)	-	15,868
Digitalisation programme - Shropshire	-	4,950	(4,180)	-	770
Digitalisation programme - Dudley	-	8,960	(8,960)	-	-
Deelands	-	9,992	(661)	-	9,331
Housing First	-	218,668	(244,581)	25,913	-
Ladywood Initiative	19,063	-	(19,063)	-	-
Personalisation	-	138,166	-	-	138,166
Respite rooms	357,832	-	(162,418)	(195,414)	-
SWEP	14,629	-	(14,629)	-	-
	391,524	412,543	(470,431)	(169,501)	164,135
Total of funds	2,441,037	17,193,934	(17,109,660)	-	2,525,311

Purpose of restricted funds

Housing First – Support and accommodation for people with substance abuse.

Ladywood Initiative – Community projects.

Respite Rooms – Support & accommodation for people experiencing domestic abuse.

SWEP – Severe weather emergency accommodation and support.

Notes to the financial statements
For the year ended 31 March 2024

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2023 £
Unrestricted funds					
General funds	1,819,062	16,065,122	(16,358,836)	524,165	2,049,513
Restricted funds					
Big Lottery - Skills Hub	76,238	-	-	(76,238)	-
Children in Need	78,342	-	-	(78,342)	-
Derbyshire - DLCG	99,755	-	-	(99,755)	-
Night Outreach	51,461	-	-	(51,461)	-
New Horizon	6,858	-	(66,013)	59,155	-
Housing First	3,186	430,121	(281,327)	(151,980)	-
Ladywood Initiative	19,063	-	-	-	19,063
Respite rooms	-	514,112	(156,280)	-	357,832
SWEP	14,629	-	(37,213)	37,213	14,629
WMCA	67,143	-	-	(67,143)	-
Other restricted funds	148,709	-	-	(148,709)	-
	565,384	944,233	(540,833)	(577,260)	391,524
Total of funds	2,384,446	17,009,355	(16,899,669)	(53,095)	2,441,037

Notes to the financial statements
For the year ended 31 March 2024

13. Statement of funds (continued)

Purpose of restricted funds

Big Lottery Skills Hub – Facilitating access to Employment, Education and Training Opportunities to Homeless Adults.

Children in Need, Derbyshire DLCC & New Horizon – Domestic Violence.

Night Outreach – Outreach for rough sleepers.

Housing First, Ladywood Initiative, Respite Rooms & SWEP – See current year.

WMCA – Night support for people with complex needs, Outreach for rough sleepers and support and accommodation for people with no recourse to public funding.

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	141,763	-	141,763
Current assets	3,619,054	164,135	3,783,189
Creditors due within one year	(1,399,641)	-	(1,399,641)
Total	2,361,176	164,135	2,525,311

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	222,849	-	222,849
Current assets	3,648,558	391,524	4,040,082
Creditors due within one year	(1,821,894)	-	(1,821,894)
Total	2,049,513	391,524	2,441,037

Notes to the financial statements
For the year ended 31 March 2024

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	84,274	56,591
Adjustments for:		
Depreciation charges	88,632	178,814
Loss on the sale of fixed assets	6,354	8,595
Decrease/(increase) in debtors	1,008,287	(1,758,071)
(Decrease)/increase in creditors	(406,700)	431,521
Bank interest received	(13,659)	-
Net cash provided by/(used in) operating activities	767,188	(1,082,550)

16. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	1,745,869	978,932
Total cash and cash equivalents	1,745,869	978,932

17. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	978,932	766,937	1,745,869

Notes to the financial statements
For the year ended 31 March 2024

18. Pension commitments

The charity operates defined contribution pension plans for its employees. The assets of the schemes are held separately from those of the charity in an independently administered fund. The amount recognised as an expense in the period was £249,805 (2023: £215,020). Contributions totalling £44,417 (2023: £36,504) were payable to the schemes at the balance sheet date and are included in creditors..

19. Operating lease commitments

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	166,601	152,663
Later than 1 year and not later than 5 years	454,688	482,393
Later than 5 years	23,486	25,993
	<u>644,775</u>	<u>661,049</u>

20. Related party transactions

There are no related party transactions other than those with other companies within the Trident Group.

Recharges

Trident Reach the People Charity to Trident Housing Association Limited:

Intra-group transaction	Allocation basis	2024 £	2023 £
Employment costs of staff at housing schemes	Payroll costs of scheme staff	<u>349,000</u>	<u>465,234</u>
		<u>349,000</u>	<u>465,234</u>

Notes to the financial statements
For the year ended 31 March 2024

Recharges (continued)

Trident Housing Association to Trident Reach the People Charity:

		2024	2023
Intra-group transaction	Allocation basis	£	£
Recharge of rent on care homes	Rent agreement	195,781	195,781
Depreciation of assets	% depreciation costs	103,791	75,000
Employment costs of Executive and Central Services	% payroll costs	611,569	529,855
Office overheads	Direct cost allocation	2,834	113,068
Vehicle costs	Direct cost allocation	838	43,432
ICT Systems	Staff numbers	615,770	613,000
Audit and insurance brokerage	Direct cost allocation	40,296	62,000
		<u>1,570,879</u>	<u>1,632,136</u>

At the balance sheet date, £595,150 was owing from the charity to Trident Housing Association Limited (2023: £378,676). The balance is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

21. Controlling party

At 31 March 2024, the immediate and ultimate parent undertaking is Trident Housing Association Limited, a Registered Social Landlord with charitable objectives incorporated under the Co-operative and Community Benefit Societies Act 2014 and an exempt charity. Copies of the financial statements for Trident Housing Association Limited can be obtained from its registered office: 12 Fairlie House, Trident Close, Erdington, Birmingham, B23 5TB.

22. Amounts held as custodian trustee

At 31 March 2024, the charity held funds of £134,318 (2023: £333,288) on behalf of clients as custodian trustee. This amounts are held in separate bank accounts and are not included in the Charity's balance sheet.