

TURNING LIVES AROUND LTD

England & Wales · Charity number 515300

Details

Other names LEEDS CYRENIANS ASSOCIATION, LEEDS HOUSING CONCERN, LHC

Status Registered

Legal form Charitable company

Company number [01790817](#)

Registered 1984-07-30

Register [View on the Charity Commission register](#)

Contact

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Percy Street
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Website www.turninglivesaround.co.uk

Activities

Objects: 1) TO RELIEVE POVERTY, SICKNESS, INFIRMITY AND OLD AGE IN PARTICULAR BUT NOT EXCLUSIVELY BY THE PROVISION OF ACCOMMODATION AND OTHER CARE AND SUPPORT SERVICES2) THE ADVANCEMENT OF EDUCATION BY THE PROVISION OF ADVICE AND TRAINING3) THE ASSETS OF SAHARA BLACK WOMEN'S REFUGE TRANSFERRED TO THE CHARITY WILL BE APPLIED IN OR TOWARDS THE RELIEF OF ASIAN AND AFRO CARIBBEAN WOMEN AND THEIR CHILDREN WHO HAVE BEEN ABUSED OR MALTREATED BY THEIR HUSBANDS AND/OR THEIR FAMILY.

Activities: The provision of accommodation with support and outreach work for vulnerable homeless people.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** ENGLAND AND WALES OR ELSEWHERE
- City Of Wakefield
- Leeds City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,449,924	£7,912,446	£1,490,743	133
2024-03-31	£7,612,591	£7,202,229	£962,477	135
2023-03-31	£6,658,275	£7,097,744	£506,194	135
2022-03-31	£6,250,841	£6,396,853	£358,181	132
2021-03-31	£5,739,595	£5,657,587	£64,143	134

Trustees

Name	Role	Appointed
Ben Robert Wadsworth		2025-11-26
Elizabeth Anne O'Connor		2025-10-21
Gary John Gallacher		2024-04-23
Helen Clare Quinlan		2023-12-05
Magdalena Agnieszka Ballance		2019-11-05
Michael Paul White		2020-05-05
Satbir Singh Saggu		2025-11-26
Sean Heffernan		2023-12-05
Shaun Andrew Finegan		2025-10-21
Stephanie Nyirenda		2023-12-05

TURNING LIVES AROUND LTD

England & Wales - Charity number 515300

Accounts

TURNING LIVES AROUND LTD
(A company limited by guarantee)

Supervisory Board Report and Financial Statements
For the year ended 31 March 2025

Charity number 515300
Company number 01790817

TURNING LIVES AROUND
(A company limited by guarantee)

Financial statements for the year ended 31 March 2025

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Legal and administrative information

Charity name	Turning Lives Around Ltd	
Charity registration number	515300	
Company registration number	1790817	
Registered office and Administration address	Photon House Percy Street Leeds LS12 1EL	
Supervisory Board	Mr. M. Ford Mrs. M. A. Ballance Mr. M. White Mr. A. Shahab Mr. S. Heffernan Mrs. S.D.W. Nyirenda Mrs. H. Quinlan Mrs. R. Foley Mr. G. Gallacher	Chair
Chief Executive	Mr. S. Hoey	
Finance Director and Company Secretary	Mr. A D Marriott BA FCCA	
Auditors	Brown Butler Chartered Accountants Leigh House 28 – 32 St. Paul’s Street LEEDS LS1 2JT	
Bankers	Lloyds Bank plc PO Box 128 69 Albion Street LEEDS LS1 1YX	
Solicitors	Weightmans llp 100 Old Hall Street, LIVERPOOL, L3 9QJ	

Report of the Supervisory Board

The members of the Supervisory Board present their report and the audited financial statements for the year ended 31 March 2025.

Members of the Supervisory Board

The members of the Supervisory Board during the year were as follows;

Mr. M. Ford	Mrs. M. A. Ballance
Mr. M. White	Mr. A. Shahab
Mrs. S. Pauley (resigned 6 th June 2025)	Mr. S. Heffernan
Mrs. J. Maples (resigned 6 th June 2025)	Mrs. S.D.W. Nyirenda
Mrs. H. Quinlan	Mrs. R. Foley
Mr. G. Gallacher (appointed 23 rd April 2024)	

Members of the Supervisory Board are directors of the company for the purpose of company law, and trustees for the purpose of charity law.

Accounts

The members of the Supervisory Board submit the audited financial statements for the year ended 31 March 2025. As set out on page 15, the net incoming resources for the year amount to a surplus of £528,266 (£456,428 in 2024) and are dealt with as shown in the statement of financial activities. General funds are reporting a surplus for the year of £510,611. Restricted funds showed a deficit for the year of £1,193. Designated funds showed a surplus for the year of £18,848.

Impact Statement

As a result of the company having to comply with the requirements of FRS102 regarding Retirement Benefits within the financial statements, we are required to report the pension liabilities for the legacy staff from Leeds City Council that are members of the West Yorkshire Pension Fund (WYPF). The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

Status

Turning Lives Around is a company limited by guarantee and has no share capital. At 31 March 2025, there were 35 members (2024 - 35), each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the winding up of the company. The company is a registered charity number 515300.

The company is governed by its Memorandum and Articles of Association which outlines the objects and powers of the charitable company. Under the company's Articles of Association, one third of the members of the Supervisory Board retires by rotation at the AGM and are eligible for re-election.

Report of the Supervisory Board (continued)

Governing body – Skills of Supervisory Board

The charity's work focuses upon accommodating and supporting vulnerable homeless people. The Supervisory Board seeks to ensure that the needs of the service users are appropriately reflected through the diversity of membership. To enhance the potential pool of trustees, the charity has, through selective advertising, sought to identify potential trustees.

The more traditional business skills are well represented on the Supervisory Board. In an effort to maintain this broad skill mix, members of the Supervisory Board are requested to provide a list of their skills (and update it each year). In the event of particular skills being lost due to retirement, the charity will seek to recruit new members to the Board possessing those skills.

Pay and remuneration of key management personnel is set by reviewing the market rates for those positions and also to compare rates with competition in the same locality and sector.

Trustee induction and training

New trustees are encouraged to attend an induction programme, which includes meetings with the Chief Executive (explanation of operational procedures) and Finance Director (explanation of budgets and accounts). This would be followed by visits to each of the charity's schemes.

Operational Structure

Turning Lives Around has a Supervisory Board of up to fifteen members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has nine members from a variety of professional backgrounds, relevant to the work of the charity. The Secretary also sits on the Board but has no voting rights. The Supervisory Board is supported by a Finance and Audit Sub Committee Board that also meets quarterly.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the Chief Executive and Finance Director. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Senior Managers who report directly to the Chief Executive, have responsibility for day-to-day operational care of the charity, individual supervision of the staff team and also for ensuring that the teams continue to develop their skills and working standards in line with good practice.

Insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect the directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £1,000,000 on any claim. It is not possible to quantify the directors and officers indemnity element from the overall cost of the commercial insurance policy. The cost of this insurance forms part of the total insurance cost.

Objectives and Activities

The charity's objectives are:

The prevention and relief of homelessness, psychological, or emotional harm, poverty, sickness, infirmity or old age, and provision of support for those at risk of these through:

- The provision of services and accommodation that may prevent, relieve, reduce, or end homelessness, physical, psychological, or emotional harm, poverty, sickness, infirmity or old age in a sustainable way.

Report of the Supervisory Board (continued)

- The provision of care, assistance, and education for those who are homeless, at risk of homelessness or physical, psychological, or emotional harm, poverty, sickness, infirmity or old age.
- To provide any other form of aid those at risk of physical, psychological, or emotional harm, poverty, sickness, infirmity, or old age may need to enable them to live a sustainable life within the community.

Activities

The principal activities of Turning Lives Around during the year continued to be the provision of supported housing for single homeless people.

Turning Lives Around continues to provide supported housing and floating support services throughout the cities of Leeds and Wakefield, for which demand remains high.

During the year no material goods or services were donated to the charity to further its objectives or activities.

The strategies employed to assist the charity to meet its objectives include the following:

- Providing a range of services that are reflective of relevant quality standards and addressing the potential issues related to drug and alcohol misuse.
- Providing a floating support service to men and women at risk of losing their tenancies as a result of drug and alcohol abuse.
- Providing accommodation with support, advice and basic skills training for young people.
- Providing accommodation and support to men and women who display a number of long standing support needs, which prevent them from living safely and independently within the community.

Partner Agencies

Accent Group	Leeds Federated Housing Association
Children in Vulnerable Accommodation (CHIVA)	Leeds Metropolitan University
Connect Housing	Leeds University
Drugs & Offender Management Unit (DOMU)	Leeds Youth Offending Team (YOT)
Huddersfield University	Places for People
Leeds Children's Fund	Sanctuary Housing Association
West Yorkshire Probation Service	Inspire North
Gipsil	Invest North Ltd
Unity Homes	Touchstone
Leeds City Council	Wakefield City Council
Horton Housing	

Financial Review and Funding Sources

In 2024-2025 Turning Lives Around still experienced problems in recruitment and retention and the financial impact of using agency workers was as significant, if not more so, than the previous year. As this problem does not look to be going away and because the financial and operational risk to Turning Lives Around is significant the charity is actively looking at how to minimize the use of agency workers in the future.

Report of the Supervisory Board (continued)

After a successful review and update of the charities property funding in 2023/24 it was still very apparent that although the financial year to 31 March 2025 and 31 March 2024 did benefit from a welcome partial uplift in funding for its Beacon support contract the contract funding for client support was lagging behind the property funding and has been addressed for 2025/26.

Turning Lives Around's good management of voids and the control of major spending areas has been a major impact in achieving the result for this financial year. The majority of services generated a surplus during the year to 31 March 2025.

Turning Lives Around has benefitted from a second year of surplus after previous years deficits and this continues to rebuild the charity's reserves from a very depleted position.

The clients we aim to help through the services it provides continue to get more and more challenging with more complex needs and this will need to be reflected in future contract reviews.

The future is still going to be challenging, contract renewals have been negotiated with respective increases in funding and colleagues and clients will benefit from those increases. The organization continues with fundraising activities aimed at the private sector, philanthropic organizations and also from individuals.

The Statement of Financial Activities (SOFA) for the charity made a surplus of £528,266 in the year. See reserves policy set out below for the impact this has had on the charity's reserves.

Principal Funding Sources

Leeds City Council Neighbourhoods and Housing Department
 Leeds City Council Social Services Department
 Wakefield City Council Housing Sustainment Pathway

Capital Funding

Right to Buy Replacement Programme Funding

Other Charity Funding

Henry Smith Charity
 Basis

Achievements and Performance

The Services

The main area of charitable activities continues to be provision of accommodation with support and outreach work for vulnerable homeless people. Turning Lives Around works across all the geographical locations in Leeds and Wakefield.

Turning Lives Around provides housing and support services to people struggling to cope with a broad range of issues including mental health, learning difficulties, drug and alcohol abuse, domestic violence, refugees and offending integration. Our aim is to support people in developing the skills, knowledge and confidence necessary to live successfully and safely in their own homes and to engage effectively within their community.

Every year we regularly seek the views of all our stakeholders by means of a questionnaire. The returned questionnaires are analysed and any suggested improvements to our services are addressed.

Report of the Supervisory Board (continued)

Performance in all contracts has been successful and the charity continues to strive for and safeguard healthy reserves.

Measures or indicators to assess performance include: monthly Management Accounts compared to budgets, cash flow management and forecasts, void performance by service and for the organisation, planned outcomes, client outcomes, complaints and incidents, utilisation levels of properties and staff attendance.

Safeguarding

Turning Lives Around continues to place the Safeguarding of adults and children central to all the work we do. We have highly experienced and well trained Senior Managers who lead on Safeguarding issues and all staff regularly receives Safeguarding training.

Future Plans

Turning Lives Around is investing in the purchase of properties to increase its own stock. Turning Lives Around is on track to becoming a Registered Provider of Social Housing. Turning Lives Around also plans to further its work in related areas and to extend its services further into different regions within Yorkshire. Turning Lives Around seeks to advance its commitment to a social enterprise and now operates a work-focused initiative to employ and train existing service users.

Fixed assets

Movements in fixed assets are shown in note 14 in the financial statements.

Reserves policy

In line with the Charity Commission guidelines the Members of the Supervisory Board have formulated a reserves policy to ensure that a minimum level of reserves is maintained to ensure that Turning Lives Around can continue to provide a level of service having regard to possible future fluctuations in both income and expenditure.

As set out and explained in note 20, the charity has a number of designated reserves to meet specific expenditure as well as an unrestricted general reserve.

These reserves are set out below;

	2025	2024
	£	£
Restricted Funds (note 19)	353,175	354,368
Designated Reserves (note 20)	130,296	111,448
General Reserves (note 20)	1,007,272	496,661
	<hr/>	<hr/>
Total before pension liability	1,490,743	962,477
Pension Reserve (note 20)	-	-
	<hr/>	<hr/>
	1,490,743	962,477

The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

Report of the Supervisory Board (continued)

Risk management

The Supervisory Board has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a forward plan which has allowed and will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charitable Company. These procedures are continually being reviewed to ensure that they still meet the needs of the Charity and also to identify new areas in which the Charity could contribute to the disadvantaged of the city.

Statement of the responsibilities of the members of the Supervisory Board

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Report of the Supervisory Board (continued)**Statement as to disclosure of information to auditors**

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

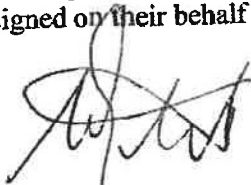
Auditors

A resolution proposing that Brown Butler Chartered Accountants be reappointed as auditors of the charity will be put to the Annual General Meeting.

Public benefit

The Supervisory Board have had regard to the Charity Commission's guidance on public benefit and confirm that this guidance forms the basis of planning decisions at both strategic and operational levels.

The report of the members of the Supervisory Board was approved on ~~21st October~~ 2025 and signed on their behalf by:



Mr. A D Marriott BA FCCA
Secretary

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Opinion

We have audited the financial statements of Turning Lives Around (the "charitable company") for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2025 and of the charity'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 and the Charities Act 2011.

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 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.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the Supervisory Board' 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 Supervisory Board with respect to going concern are described in the relevant sections of this report.

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 Supervisory Board are responsible for the other information. 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.

Independent Auditor's Report to the Members of Turning Lives Around Ltd

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the Supervisory Board' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Supervisory Board' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Supervisory Board' 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:

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

Responsibilities of Supervisory Board

As explained more fully in the Statement of Supervisory Board' Responsibilities (on page 9), the Supervisory Board, who are also the directors of the charitable company for the purpose 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 Supervisory Board 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 Supervisory Board are responsible for assessing the Charity'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 Supervisory Board either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Turning Lives Around Ltd

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.

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.

Capability of the audit in detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to deter material misstatements in respect of irregularities, including fraud. The key laws and regulations we have considered in this context included Health and Safety Act 1974 and Care Act 2014, the Companies Act 2006, the Charities Act 2011, pension and tax legislation. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty including compliance with the Charities SORP FRS102 (October 2019). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Using our general commercial and sector experience and through discussions with the Supervisory Board and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.

We examined the charitable company's regulatory and legal correspondence and discussed with the Supervisory Board and other management any known or suspected instances of fraud or non-compliance with laws and regulations.

We communicated identified laws and regulations and potential fraud risks of all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements. We also discussed related party relationships and transactions involving them.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Independent Auditor's Report to the Members of Turning Lives Around Ltd

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 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.



Nicola Taylor FCA (Senior Statutory Auditor)
For and on behalf of Brown Butler
Chartered Accountants and Statutory Auditor
Leigh House
28-32 St Paul's Street
Leeds
LS1 2JT

21 October 2025

Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2025

	Notes	Unrestricted			TOTAL 2025	TOTAL 2024
		General Funds	Designated Funds	Restricted Funds		
		£	£	£	£	£
INCOME FROM:						
Donations and legacies	3	-	26,789		26,789	109,437
Charitable activities:						
Contract funding	4	3,020,383		6,772	3,027,155	2,943,294
Income from rent	4	5,346,635			5,346,635	4,508,181
Other Trading Activities	5	48,121			48,121	51,677
Investments	6	1,224			1,224	2
Total		8,416,363	26,789	6,772	8,449,924	7,612,591
EXPENDITURE ON :						
Raising funds	7	88,744			88,744	93,453
Charitable activities:						
Support Services	7	3,121,396	112,646	7,965	3,242,007	3,289,830
Housing Management	7	4,581,695			4,581,695	3,818,801
Other Charitable Services	7	-			-	-
Total		7,791,835	112,646	7,965	7,912,446	7,202,084
Net Income / (Expenditure)		624,528	(85,857)	(1,193)	537,478	410,507
Gross transfer between funds		(104,705)	104,705	-	-	-
Net Income / (Expenditure)		519,823	18,848	(1,193)	537,478	410,507
Other recognised gains & losses						
(Loss)/gains on revaluation of assets		(42,212)			(42,212)	22,921
Actuarial gains on defined benefit pension scheme		33,000			33,000	23,000
Exceptional Item						
Impairment Business 900		-			-	-
Net movement in Funds		510,611	18,848	(1,193)	528,266	456,428
Reconciliation of funds						
Funds at 1 April 2024		496,661	111,448	354,368	962,477	506,049
Funds at 31 March 2025		1,007,272	130,296	353,175	1,490,743	962,477

All the charitable company's activities derive from continuing operations during the above financial periods.

The notes on pages 18 to 37 form part of these financial statements.

Company Number 1790817
Balance sheet as at 31 March 2025

	Note	2025	2024
		£	£
FIXED ASSETS			
Intangible assets	13	-	-
Tangible assets	14	1,174,737	1,157,599
Investments		<u>-</u>	<u>-</u>
		1,174,737	1,157,599
CURRENT ASSETS			
Debtors	15	1,033,624	657,844
Cash at bank and in hand		<u>781,650</u>	<u>366,215</u>
		1,815,274	1,024,059
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	16	<u>(877,628)</u>	<u>(787,043)</u>
		(877,628)	(787,043)
NET CURRENT ASSETS/(LIABILITIES)		<u>937,646</u>	<u>237,016</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,112,383	1,394,615
Creditors – amounts falling due after one year	17	(382,054)	(297,257)
Provisions for liabilities	18	(239,586)	(134,881)
		<u>1,490,743</u>	<u>962,477</u>
NET ASSETS excluding pension liability			
Defined pension scheme liability	27	-	-
		<u>1,490,743</u>	<u>962,477</u>
NET ASSETS incl pension liability			
THE FUNDS OF THE CHARITY			
Restricted Funds	19	353,175	354,368
Unrestricted Funds	20	1,137,568	608,109
Pension Reserve	20	-	-
Total Funds		<u>1,490,743</u>	<u>962,477</u>

These financial statements were approved and authorised for issue by the Supervisory Board on 21st October 2025 and signed on its behalf by :-


Martin Ford

The notes on pages 18 to 37 form part of these financial statements.

Cash flow statement for the year ended 31 March 2025

	Note	2025	2024
		£	£
Net cash flow from operating activities	25	468,171	442,094
Corporation tax		-	-
Cash flow from investing activities			
Payments to acquire tangible fixed assets	(112,315)		(149,334)
Interest received	<u>1,224</u>		<u>2</u>
Net cash flow from investing activities		<u>(111,091)</u>	<u>(149,332)</u>
		357,080	292,762
Cash flow from financing activities			
New loans	101,000		66,000
Loan repayments	(17,330)		(14,736)
Finance lease repayments	-		(14,734)
Hire purchase repayments	-		(8,512)
Interest paid	<u>(25,315)</u>		<u>(27,792)</u>
Net cash flow from financing activities		<u>58,355</u>	<u>226</u>
Net increase/(decrease) in cash		415,435	292,988
Cash at 1 April 2024		<u>366,215</u>	<u>73,227</u>
Cash at 31 March 2025		<u>781,650</u>	<u>366,215</u>

The notes on pages 18 to 37 form part of these financial statements.

Notes to financial statements for the year ended 31 March 2025.

1. General information

Turning Lives Around is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

The charity is incorporated in England & Wales, is registered as a charity with the Charity Commissioners and is also a public benefit entity as defined by Financial Reporting Standard 102 the "Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

Its registered office and principal place of business is:-

Photon House
Percy Street
Leeds
LS12 1EL

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102 (2022), the 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) (SORP (FRS 102) issued October 2019) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Funds

Unrestricted funds are available for use at the discretion of the Supervisory Board in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Supervisory Board for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes to financial statements for the year ended 31 March 2025.**2.3 Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and these require a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably, and the charity has control over the item. Fair value is determined based on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Grants received for the acquisition of fixed assets are accounted for as restricted funds. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned. Other grants are treated as income and, where applicable, they are accounted for as restricted funds. Where the grant covers future accounting periods, the amount relating to future periods is deferred and recognised in the correct period.

2.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

2.5 Support costs allocation

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 7.

Notes to financial statements for the year ended 31 March 2025.

2.6 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of amortisation are as follows:-

Asset class	Amortisation method and rate
Website	20% straight line basis

2.7 Tangible fixed assets

Freehold property and leasehold property are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Other than freehold and leasehold properties, depreciation is provided on tangible fixed assets on a straight line basis, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

Leasehold improvements	- 5 years
Motor Vehicles	- 4 years
Furniture and equipment	- 2-10 years

2.8 Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the SoFA. The reversal of an impairment loss is recognised immediately in the SoFA.

2.9 Investments

Investments in subsidiaries are measured at cost less impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. **Note 2 is continued on page 21**

Notes to financial statements for the year ended 31 March 2025.

2.12 Leases

Fixed assets acquired under finance lease and hire purchase contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest attributable to each period is charged to the SOFA.

Operating lease rentals are charged to the SOFA as incurred.

2.13 Pensions

The charity operates a defined benefit pension scheme with the Local Government Pension Scheme (LGPS) and a defined contribution pension scheme. The assets of both schemes are held in separate trustee administered funds and those in the LGPS are subject to actuarial valuation.

The assets and liabilities of the LGPS are measured using the roll forward approach. This approach is a method of approximately calculating pension scheme assets and liabilities by making adjustments to the results of the last full actuarial valuation exercise. The last full actuarial valuation was performed at 31 March 2022. The amounts charged to the SoFA are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the SoFA and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The pension costs charged to the SoFA regarding the defined contribution scheme are the premiums payable in respect of the accounting period.

2.14 Taxation

The charity considers that it meets the definition of a charitable company for UK corporation tax purposes and is accordingly potentially exempt from tax in respect of its income and gains.

2.15 Going concern

The financial statements have been prepared on a going concern basis as the Supervisory Board believe that no material uncertainties exist. The Supervisory Board have considered the level of funds held and the expected level of income and expenditure for a minimum of 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Notes to financial statements for the year ended 31 March 2025.

2.16 Critical accounting estimates and assumption

The charity makes estimates and assumptions concerning the future and the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The main area of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to the estimates used in valuing the Local Government Pension Scheme (LGPS) and the properties held at fair value.

The present value of the LGPS defined benefit asset/liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension asset/liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions assets and liabilities at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

The carrying amount of the properties held at fair value are disclosed in note 14.

3 Donations and legacies
Charity and Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2025	2024
	£	£	£	£	£
Donations	-	19,993	-	19,993	56,461
Other grants	-	6,796	-	6,796	52,976
Sundry income	-	-	-	-	-
	-	26,789	-	26,789	109,437

Income from donations and legacies in the year ended 31 March 2024 was £109,437 of which £63,862 was attributable to designated funds.

Notes to financial statements for the year ended 31 March 2025.

4 Charitable activities

Contract funding	Unrestricted			Total 2025 £	Total 2024 £
	General £	Designated £	Restricted £		
Leeds City Council Neighborhood's and Housing Strategy & Commissioning	2,323,130	-	-	2,323,130	2,263,962
Wakefield City Council Housing Sustainment Pathway	694,303	-	-	694,303	627,638
Other grants	2,950	-	6,772	9,722	51,694
	3,020,383	-	6,772	3,027,155	2,943,294

Income from contract funding in the year ended 31 March 2024 was £2,943,294 of which £2,803,511 was attributable to general funds and £49,783 was attributable to restricted funds.

Income from rent

Turning Lives Around provides accommodation for single homeless people. For the majority of residents their only financial support is state benefit. Turning Lives Around charges rents to its residents. The rate at which rent is charged is regulated by the housing associations that it works in partnership with.

	Unrestricted			Total 2025 £	Total 2024 £
	General £	Designated £	Restricted £		
Rent receivable	5,844,631	-	-	5,844,631	4,945,672
Voids	(430,045)	-	-	(430,045)	(347,173)
Bad debts written-off	(67,951)	-	-	(67,951)	(90,318)
	5,346,635	-	-	5,346,635	4,508,181

Income from rent in the year ended 31 March 2024 was £4,508,181 all of which was attributable to general funds.

5 Other trading activities

	Unrestricted			Total 2025 £	Total 2024 £
	General £	Designated £	Restricted £		
Cleaning services	48,120	-	-	48,120	51,677
	48,120	-	-	48,120	51,677

Other trading activities in the year ended 31 March 2024, was £51,677 all of which was attributable to general funds.

Notes to financial statements for the year ended 31 March 2025.

6 Income from investments

	Unrestricted			Total 2025	Total 2024
	General	Designated	Restricted		
	£	£	£	£	£
Bank interest received	1,224	-	-	1,224	2
	1,224	-	-	1,224	2

Income from investments in the year ended 31 March 2024 was £2 all of which was attributable to general funds.

7 Expenditure on

	Unrestricted			Total 2025	Total 2024
	General	Designated	Restricted		
	£	£	£	£	£
Raising funds					
<i>Fund raising activities</i>					
Charitable Activities:	88,744	-	-	88,744	93,453
Contract Funding					
<i>Support Services</i>	3,121,396	112,646	7,965	3,242,007	3,289,830
<i>Housing Management</i>	4,581,695	-	-	4,581,695	3,818,801
	7,791,835	112,646	7,965	7,912,446	7,202,084

Expenditure for the year ended 31 March 2024 was £7,202,084 of which £7,028,935 was attributable to general funds, £165,184 was attributable to designated reserves and £7,965 was attributable to restricted reserves.

Governance Costs included within support costs

	2025	2024
	£	£
Audit and accountancy fees	17,340	17,340
Legal and professional fees	27,205	19,433
Annual general meeting costs	289	1,379
	44,294	37,612

Notes to financial statements for the year ended 31 March 2025.
Note 7 is continued from page 24

BASIS OF ALLOCATION		CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS		FUND RAISING ACTIVITIES		TOTAL 2025	TOTAL 2024
		SUPPORT SERVICES	HOUSING MANAGEMENT	FUND RAISING			
Costs directly allocated to activities		£	£	£	£	£	£
Staff costs	Direct	2,510,563	1,165,054	68,183	68,183	3,743,800	3,608,013
Agency staff	Direct	192,886	113,296			306,182	255,543
Recruitment	Direct	16,963	795	266	266	18,024	13,401
Premises	Direct	593	1,816,868			1,817,461	1,497,546
Insurance	Direct	12,329	59,171	1,774	1,774	73,274	65,849
Maintenance	Direct	2,501	396,827	109	109	399,437	387,944
Furniture & renewals	Direct		270,927	349	349	271,276	204,965
Heat and light	Direct	2,042	189,458		0	91,500	104,353
Travel	Direct	46,376	2,999	3,269	3,269	52,644	53,775
Printing, Postage & Stationery	Direct	18,413	5,748	37	37	24,198	26,086
Communications	Direct	35,265	3,174	101	101	38,540	44,197
Cleaning	Direct	22,550	92,593	2,704	2,704	117,847	112,697
Training & conferences	Direct	10,852	5,989	551	551	17,392	22,584
Translation & Interpretation	Direct	1,398				1,398	987
Loan interest	Direct		25,315		0	25,315	22,535
Service users' welfare	Direct	22,813	81,786		0	104,599	72,868
Finance lease interest	Direct		0			0	5,257
Finance cost re LGPS Pension	Direct	1,000				1,000	(17,000)
		<u>2,896,544</u>	<u>4,230,000</u>	<u>77,343</u>	<u>77,343</u>	<u>7,203,887</u>	<u>6,481,600</u>

Notes to financial statements for the year ended 31 March 2025.

Note 7 is continued from page 25

Support costs allocated to activities

Office and finance staff costs	Pro-rata	162,241	147,931	10,458	10,458	320,630	371,292
Agency staff	Pro-rata	18,672	17,976			36,648	19,595
Books & publications	Pro-rata	0	0			0	58
Subscriptions	Pro-rata	2,366	2,277			4,643	4,622
Legal & professional	Pro-rata	13,862	13,344			27,206	19,433
Operating lease rentals	Pro-rata	28,631	27,562			56,193	48,351
Office equipment	Pro-rata	0	0			0	0
Computer costs	Pro-rata	56,664	54,549			111,213	87,514
Depreciation	Usage	12,915	27,146	713	713	40,774	48,044
Consultancy	Pro-rata	34,134	32,860			66,994	73,555
Audit and accountancy fees	Pro-rata	11,831	11,389			23,220	16,800
Bank charges	Pro-rata	1,125	1,084			2,209	7,775
Publicity	Pro-rata	423	407			830	44
Annual general meeting	Pro-rata	147	142			289	1,379
Refreshments	Pro-rata	775	747			1,522	3,519
Other costs	Pro-rata	1,677	14,281	230	230	16,188	18,503
		<u>345,463</u>	<u>351,695</u>	<u>11,401</u>	<u>11,401</u>	<u>708,559</u>	<u>720,484</u>
		<u>3,242,007</u>	<u>4,581,695</u>	<u>88,744</u>	<u>88,744</u>	<u>7,912,446</u>	<u>7,202,084</u>

Notes to financial statements for the year ended 31 March 2025.

8 Net incoming/(outgoing) resources for the year	2025	2024
	£	£
Depreciation	48,739	48,044
Amortisation	-	-
Operating lease charges	56,193	49,096
Interest on loans	25,315	22,535
Interest on finance leases	-	2,710
Interest on hire purchase	-	2,547
Finance costs on LGPS Pension	1,000	(17,000)
Loss on disposal of tangible fixed assets	4,226	-

9 Auditor's remuneration	2025	2024
	£	£
Audit fee in respect of the financial statements	19,350	16,830
Other fees payable to auditor :		
Tax compliance services	-	-
Non audit services	2,898	3,978
	2,898	3,978

10 Tax on net income	2025	2024
	£	£
Current Taxation	-	-
UK Corporation Tax	-	-
Adjustment to prior year	-	-
Deferred taxation	-	-
Origination and reversal of timing differences	-	-
Tax on net income	-	-

The tax charge for the year is lower than (2024: lower than) the standard rate of corporation tax in the UK of 25% (2024: 25%).

The differences are reconciled below:

	2025	2024
	£	£
Net income before tax	528,266	456,428
Corporation tax at standard rate	132,067	114,107
Effects of net (income)/expenditure exempt from taxation	(132,067)	(114,107)
Total tax charge	-	-

Notes to financial statements for the year ended 31 March 2025.

11 Material transfers between funds

There was a £104,705 transfer from general funds to the Dilapidation fund to cover future costs.

12 Staff costs and numbers

	2025	2024
	£	£
Salaries and wages	4,000,768	3,547,082
Social Security costs	327,969	310,824
Pension contributions :-		
Contributions to defined contribution scheme	94,134	91,163
Operating costs re defined benefit scheme	33,000	40,000
	<u>4,455,871</u>	<u>3,989,069</u>

The above figures include £7,884 made in respect of redundancy and termination payments.
(2024: £23,930)

	2025	2024
	No.	No.
Employees paid between £60,001 and £70,000	-	1
£70,001 and £80,000	1	-
£80,001 and £90,000	1	1
	<u>1</u>	<u>1</u>

No remuneration was paid during the year to any member of the Supervisory Board, and there were expenses of £57 reimbursed to them.

In addition, during the year, M White charged the charitable company £17,500 (2024: £17,150) in respect of consultancy fees.

The average weekly number of employees during the year, analysed by function, was:

Number of employees

	2025	2024
Support Services & Housing Management	121	124
Other Charitable Services	-	-
Support costs	12	11
	<u>133</u>	<u>135</u>

Notes to financial statements for the year ended 31 March 2025.

13 Intangible fixed assets

	Website £	Total £
Cost		
At 31 March 2024	12,162	12,162
At 31 March 2025	12,162	12,162
Amortisation		
At 31 March 2024	12,162	12,162
Charge for the year	-	-
At 31 March 2025	12,162	12,162
Net Book Value		
At 31 March 2024	-	-
At 31 March 2025	-	-

The amortization charge for the year is included within the SoFA heading of expenditure on charitable activities.

The intangible fixed assets have been pledged as security for liabilities of the charity.

14 Tangible fixed assets

	Freehold Property £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Cost / valuation						
At 1 April 2024	870,000	175,000	10,977	14,752	537,397	1,608,126
Additions during year	104,712	-	-	-	7,603	112,315
Disposals during the year	-	-	-	-	(84,583)	(84,583)
Revaluation	(47,212)	5,000	-	-	-	(42,212)
At 31 March 2025	927,500	180,000	10,977	14,752	460,417	1,593,646
Depreciation						
At 1 April 2024	-	-	10,977	3,249	436,301	450,527
Charge for year	-	-	-	4,823	43,916	48,739
Relating to disposals	-	-	-	-	(80,357)	(80,357)
At 31 March 2025	-	-	10,977	8,072	399,860	418,909
Net Book Value						
At 1 April 2024	870,000	175,000	-	11,503	101,096	1,157,599
At 31 March 2025	927,500	180,000	-	6,680	60,557	1,174,737

The tangible fixed assets have been pledged as security for liabilities of the charity.

The freehold properties and the leasehold property were revalued on 31 March 2025 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method.

Notes to financial statements for the year ended 31 March 2025.

14 Tangible fixed assets, continued from page 29

The historical cost of the properties included at valuation is as follows:-

	Freehold properties £	Leasehold Property £	Total £
Cost	903,763	194,041	1,097,804
Accumulated depreciation	(25,348)	(13,474)	(38,822)
	878,415	180,567	1,058,982

15 Debtors

	2025 £	2024 £
Due within one year:		
Net rents in arrears	835,250	482,178
Other debtors	57,717	40,917
Prepaid expenses	140,657	134,749
	1,033,624	657,844

The debtor balances of £1,033,624 (2024: £657,844) have been pledged as security for liabilities of the charity.

16 Creditors

	2025 £	2024 £
Amounts falling due within one year:		
Bank loans	15,174	16,301
Obligations under finance leases	-	-
Hire purchase creditors	-	-
Trade creditors	202,568	263,566
Other creditors	346,208	169,158
Social security and other taxes	70,898	73,495
Accruals and deferred income	242,780	264,523
	877,628	787,043

The bank loans are secured by way of fixed and floating charges over the assets of the company.

17 Creditors - Amounts falling due after one year:

	2025 £	2024 £
Bank loans	382,054	297,257
Finance loan creditors	-	-
Hire purchase creditors	-	-
	382,054	297,257

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The bank loans include £320,131 (2024: £250,890) which fall due after five years and are repayable by instalments.

Notes to financial statements for the year ended 31 March 2025.

18 Provisions for liabilities:

	2025	2024
	£	£
At 1 April 2024	134,881	-
Increase in provision	104,705	134,881
At 31 March 2025	<u>239,586</u>	<u>134,881</u>
Analysis of provisions for liabilities		
Dilapidations	<u>239,586</u>	<u>134,881</u>

The charity expects £50,000 the provision to be consumed during the year ending 31 March 2026, with the remaining amount recalculated on an annual basis.

19 Restricted funds

	Balance 01.04.2024	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2025
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	-	-	-	-	-
(iii) Sahara Women Without Recourse Fund	-	-	-	-	-
(iv) Sinclair DAT Fund	-	-	-	-	-
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	177,621	6,772	-	-	184,393
(viii) Computer/IT Fund	15,929	-	(7,965)	-	7,964
	<u>354,368</u>	<u>6,772</u>	<u>(7,965)</u>	<u>-</u>	<u>353,175</u>
	Balance 01.04.2023	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2024
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	-	-	-	-	-
(iii) Sahara Women Without Recourse Fund	-	-	-	-	-
(iv) Sinclair DAT Fund	-	-	-	-	-
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	127,838	49,783	-	-	177,621
(viii) Computer/IT Fund	23,894	-	(7,965)	-	15,929
	<u>312,550</u>	<u>49,783</u>	<u>(7,965)</u>	<u>-</u>	<u>354,368</u>

Notes to financial statements for the year ended 31 March 2025.

- (i) The **Dewsbury Road Day Centre Fund** is created to account for capital grants received from the Community Fund and Leeds City Council, in connection with the construction and equipping of the new Day Centre premises.
- (ii) The **Sahara Nationality Fund** is to provide funding for the assistance of women with problems relating to their nationality and immigration status.
- (iii) The **Sahara Women Without Recourse Fund** is used to assist women without recourse to any state benefits and/ or those women whose applications for state benefits are still pending.
- (iv) The **Sinclair DAT Fund** relates to a grant received from 'Drugs Action Team' to pay towards the cost of setting up new offices for the Sinclair scheme.
- (v) The **LCC Refurbishment Fund** has been set up to provide funds for the refurbishment and setting up of properties to be acquired from Leeds City Council.
- (vi) The **Tempest Road Development Fund** is created to account for a donation received from Harrogate Grammar School to assist in the refurbishment of 12 Tempest Road.
- (vii) The **Right to Buy Fund** is created to account for grants received to assist with the purchase of new social housing projects.
- (viii) The **Computer / IT Fund** is created to account for funding received from the Lottery and BT to assist with IT upgrades.

20 Unrestricted Funds

	Balance 01.04.2024 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2025 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	107,196	26,789	(7,941)	-	-	126,044
(f) Registered Provider Application Fund	-	-	-	-	-	-
(g) Dilapidation Fund	-	-	(104,705)	-	104,705	-
	111,448	26,789	(112,646)	-	104,705	130,296
General Funds	496,661	8,416,363	(7,758,835)	(42,212)	(104,705)	1,007,272
	608,109	8,443,152	(7,871,481)	(42,212)	-	1,137,568
Pension reserve	-	-	(33,000)	33,000	-	-
	608,109	8,443,152	(7,904,481)	(9,212)	-	1,137,568
	Balance 01.04.2023 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2024 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	52,067	63,862	(8,733)	-	-	107,196
(f) Registered Provider Application Fund	17,822	-	(21,570)	-	3,748	-
(g) Dilapidation Fund	-	-	(134,881)	-	134,881	-
	74,141	63,862	(165,184)	-	138,629	111,448
General Funds	119,358	7,498,946	(7,005,935)	22,921	(138,629)	496,661
	193,499	7,562,808	(7,171,119)	22,921	-	608,109
Pension reserve	-	-	(23,000)	23,000	-	-
	193,499	7,562,808	(7,194,119)	45,921	-	608,109

Notes to financial statements for the year ended 31 March 2025.

20 Unrestricted funds, continued from page 32

- (a) **General Maintenance Fund** is designated to provide for the cost of property and cyclical maintenance, for which the company may be liable under management agreements with third parties.
- (b) **Furniture/Renewals Fund** is designated to cover the cost of essential refurbishment of properties including a general furniture provision.
- (c) **Redundancy Fund** is designated to provide towards redundancy costs in the event of a staff restructure or reduction in staffing numbers.
- (d) **Welfare Fund** is designated to cover exceptional payments, made within the established policy of the company, to residents who are in financial difficulty.
- (e) **Scheme Funding** the net funds of schemes that are designated to be utilised by those schemes whose efforts raised those funds.
- (f) **Registered Provider Application Fund** is designed to cover the cost of assistance in the application for the company to achieve Registered Provider of Social Housing status.
- (g) **Dilapidation Fund** is designed to cover the cost of repairs on the return of properties to a landlord that are managed by the charity.

Pension Reserve

The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the Supervisory Board have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

21 Analysis of net assets between funds excluding pension liability

	General Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Fixed assets	994,737	180,000	1,174,737	1,157,599
Current assets	1,642,099	173,175	1,815,274	1,024,059
Creditors, falling due within one year	(877,628)		(877,628)	(787,043)
Creditors, falling due more than one year	(382,054)		(382,054)	(297,257)
Provisions for liabilities	(239,586)		(239,586)	(134,881)
Net Assets	1,137,568	353,175	1,490,743	962,477

22 Charitable status

The company is a registered charity no 515300 and is exempt from income tax and corporation tax. The company is a limited company by guarantee and has no share capital. In the event of the winding up of the company, the liability of members is limited to a maximum of £1 each.

23 Commitments

At 31 March 2025 the company had future minimum operating leases payments as follows:

	2025 £	2024 £
Within one year	74,334	22,460
Between one and five years	17,848	-
Over five years	686	-
	92,868	22,460

Notes to financial statements for the year ended 31 March 2025.

24 Related party transaction

The company has taken advantage under FRS 102 not to disclose details of its transactions of its subsidiary.

During the year, M White charged the charitable company £17,500 (2024: £17,150) in respect of consultancy services.

	2025	2024
	£	£
Key management personnel compensation	<u>161,430</u>	<u>154,736</u>

25 Reconciliation of net expenditure to net cash flow from operating activities

	2025	2024
	£	£
Net income/(expenditure) for the year	537,478	410,362
Pension scheme adjustment	33,000	23,000
Interest paid	25,313	27,790
Interest received	(1,224)	-
Loss on disposals	4,386	-
Depreciation and amortisation charges and provisions	153,444	182,925
(Increase)/decrease in debtors	(376,110)	(104,858)
(Decrease)/increase in creditors	91,882	(97,125)
	<u>468,171</u>	<u>442,094</u>

26 Analysis of changes in net debt

	01.04.2024	Net cash flows	Non cash movements	31.03.2025
	£	£	£	£
Cash	366,215	415,435	-	781,650
Bank loans	(313,558)	(83,670)	-	(397,228)
	<u>52,657</u>	<u>331,765</u>	-	<u>384,427</u>

27 Pensions

As explained at note 2.13 the company operates both a defined benefit pension scheme and a defined contribution pension scheme.

The company is a member of the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (LGPS). The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Funds Funding Strategy Statement. The last actuarial valuation was at 31 March 2025.

At the year-end date, under the FRS 102 basis of calculation, the Fund Actuary has calculated the FRS102 valuation of the pension fund position to be a surplus of circa £838,000.

Notes to financial statements for the year ended 31 March 2025.

27 Pensions, continued from page 34

The recognition of this asset is governed by FRS102 by the amount of economic benefit the Supervisory Board believe will be received by the charity either through a direct refund or through a reduction in future contributions.

The Local Government Pension Scheme Regulations do not permit the re-payment of contributions or surplus assets to employers whilst they are an ongoing employer in the fund as was the position at the year-end date. However, the Regulations do permit a payment of an "exit credit" to an employer who exits the Fund. Therefore, the Supervisory Board have the option to consider the possibility of exiting the fund in order to obtain this economic benefit for the charity whilst market conditions are favourable.

The basis on which an exit position is calculated is very different from the basis used for FRS102 calculations and could possibly be a liability, once calculated by the actuary.

Under FRS102, for recognition of the asset, we also need to consider the second basis for recognition being whether economic benefit could be gained from a reduction in future contributions. Future contributions by the charity are expected to be nil, therefore no benefit could be gained.

Therefore, as the asset recognition criteria cannot be supported with certainty, the Supervisory Board do not believe it is appropriate to recognise the FRS 102 calculated asset, as realisation of such an asset is uncertain.

The Supervisory Board have therefore concluded, due to the uncertainty detailed above, to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

The Fund Administering Authority, City of Bradford Metropolitan Council, is responsible for the governance of the Fund.

The key assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:-

	2025	2024
	%	%
Discount rate for liabilities	5.80	4.80
Pension increases	2.50	2.60
Pension accounts revaluation rate	2.50	2.60
Salaries increases	3.75	3.85
CPI Inflation	2.50	2.60

Mortality assumption

The mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2025 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2025	2024
Males		
Member aged 65 at accounting date	20.9	21.0
Member aged 45 at accounting date	21.8	22.3
Females		

Notes to financial statements for the year ended 31 March 2025.

27 Pensions, continued from page 35

Member aged 65 at accounting date	24.1	24.2
Member aged 45 at accounting date	24.8	25.2

The approximate split of the assets of the Fund is as set out below:-

	2025	2024
	%	%
Equities	79.3	79.4
Property	2.8	2.8
Government bonds	9.0	8.5
Corporate bonds	4.0	4.2
Cash	2.6	1.8
Other	2.3	3.3
	<u>100.0</u>	<u>100.0</u>

The actual returns on assets are set out below:-

	2025	2024
	£	£
Interest income on assets	119,000	111,000
Gain/(loss) on assets	(12,000)	84,000
Actual return on assets	<u>107,000</u>	<u>195,000</u>

The changes in the fair values of the assets were:-

	2025	2024
	£	£
Opening fair value of assets	2,521,000	2,412,000
Interest income on assets	119,000	111,000
Re-measurement gains/(losses) on assets	(12,000)	84,000
Members contributions	9,000	11,000
Net benefits paid out	(74,000)	(97,000)
Closing fair value of assets	<u>2,563,000</u>	<u>2,521,000</u>

The changes in the present values of the defined benefit obligations:-

	2025	2024
	£	£
Opening present value of liabilities	2,009,000	2,032,000
Current service costs	32,000	40,000
Interest expense on defined benefit obligations	95,000	94,000
Members contributions	9,000	11,000
Actuarial gains on liabilities	(346,000)	(71,000)
Net benefits paid out	(74,000)	(97,000)
Closing present value of liabilities	<u>1,725,000</u>	<u>2,009,000</u>

Notes to financial statements for the year ended 31 March 2025.

27 Pensions, continued from page 36

The reconciliation of the funded status of the Fund to the balance sheet is as follows:-

	2025 £	2024 £
Fair value of assets	2,563,000	2,521,000
Present value of funded defined benefit obligations	(1,725,000)	(2,009,000)
Unrecognised asset	(838,000)	(512,000)
	<u> </u>	<u> </u>
Net pension asset/(liability)	<u> </u> -	<u> </u> -

The split of the liabilities at the last valuation between the various categories of members is as follows:-

Active members	50%
Deferred Pensioners	22%
Pensioners	28%

The pension costs recognised in the statement of financial activities are made up as follows:-

	2025 £	2024 £
Operating Costs :-		
Current service cost	32,000	40,000
Finance costs :-		
Interest costs on pension liabilities	(24,000)	(17,000)
Interest on unrecognised asset	25,000	-
	<u> </u>	<u> </u>
	33,000	23,000
Actuarial gains	(210,000)	(155,000)
	<u> </u>	<u> </u>
Total pension costs recognised	<u> </u> (177,000)	<u> </u> (132,000)

Sensitivity Analysis :-

	Base figure £	+0.1% £	-0.1% £
Discount Rate			
Present value of total obligation	1,725,000	1,753,000	1,697,000
Projected service cost	24,000	23,000	25,000
Rate of increase in salaries			
Present value of total obligation	1,725,000	1,730,000	1,720,000
Projected service cost	24,000	24,000	24,000
Rate of increase in pensions			
Present value of total obligation	1,725,000	1,747,000	1,703,000
Projected service cost	24,000	25,000	23,000
Post retirement mortality assumption		-1 year	+1 year
Present value of total obligation	1,725,000	1,763,000	1,687,000
Projected service cost	24,000	25,000	23,000

TURNING LIVES AROUND LTD

England & Wales - Charity number 515300

Accounts

TURNING LIVES AROUND LTD
(A company limited by guarantee)

Trustees' Report and Financial Statements
For the year ended 31 March 2024

Charity number 515300
Company number 1790817

TURNING LIVES AROUND
(A company limited by guarantee)

Financial statements for the year ended 31 March 2024

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Legal and administrative information

Charity name	Turning Lives Around Ltd
Charity registration number	515300
Company registration number	1790817
Registered office and Administration address	Photon House Percy Street Leeds LS12 1EL
Supervisory Board	Mr. M. Ford Chair Mrs. M. A. Ballance Mr. M. White Mr. A. Shahab Mrs. S. Pauley Mr. S. Heffernan (appointed 05/12/2023) Mrs. J. Maples (appointed 05/12/2023) Mrs. S.D.W. Nyirenda (appointed 05/12/2023) Mrs. H. Quinlan (appointed 05/12/2023) Mrs. R. White (appointed 05/12/2023) Mr. G. Gallacher (appointed 23/04/2024)
Chief Executive	Mr. S. Hoey
Finance Director and Company Secretary	Mr. A D Marriott BA FCCA
Auditors	Brown Butler Chartered Accountants Leigh House 28 – 32 St. Paul’s Street LEEDS LS1 2JT
Bankers	Lloyds Bank plc PO Box 128 69 Albion Street LEEDS LS1 1YX
Solicitors	Weightmans llp 100 Old Hall Street, LIVERPOOL, L3 9QJ

Report of the Supervisory Board

The members of the Supervisory Board present their report and the audited financial statements for the year ended 31 March 2024.

Members of the Supervisory Board

The members of the Supervisory Board during the year were as follows;

Mr. M. Ford	Mrs. M. A. Ballance
Mr. M. White	Mr. A. Shahab
Mrs. S. Pauley	Mr. M. Kerr (resigned 22/08/2023)
Mr. I. Livingstone (resigned 09/05/2023)	Mrs. E.R. Tebbs-Ogotu (resigned 22/08/2023)
Mr. S. Heffernan (appointed 05/12/2023)	Mrs. J. Maples (appointed 05/12/2023)
Mrs. S.D.W. Nyirenda (appointed 05/12/2023)	Mrs. H. Quinlan (appointed 05/12/2023)
Mrs. R. White (appointed 05/12/2023)	

Members of the Supervisory Board are directors of the company for the purpose of company law, and trustees for the purpose of charity law.

Accounts

The members of the Supervisory Board submit the audited financial statements of the group for the year ended 31 March 2024. As set out on page 16, the net incoming resources for the year amount to a surplus of £410,362 (a deficit of £439,469 in 2023) and are dealt with as shown in the statement of financial activities. General funds are reporting a surplus for the year of £469,866. Restricted funds showed a surplus for the year of £41,818. Designated funds showed a deficit for the year of £101,322.

Impact Statement

As a result of the company having to comply with the requirements of FRS102 regarding Retirement Benefits within the financial statements, we are required to report the pension liabilities for the legacy staff from Leeds City Council that are members of the West Yorkshire Pension Fund (WYPF). The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

Status

Turning Lives Around is a company limited by guarantee and has no share capital. At 31 March 2024, there were 35 members (2023 - 27), each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the winding up of the company. The company is a registered charity number 515300.

The company has one wholly owned subsidiary Business 900 Community Interest Company, the subsidiary's results are consolidated into the financial statements.

The company is governed by its Memorandum and Articles of Association which outlines the objects and powers of the charitable company. Under the company's Articles of Association, one third of the members of the Supervisory Board retires by rotation at the AGM and are eligible for re-election.

Report of the Supervisory Board (continued)

Governing body – Skills of Supervisory Board

The charity's work focuses upon accommodating and supporting vulnerable homeless people. The Supervisory Board seeks to ensure that the needs of the service users are appropriately reflected through the diversity of membership. To enhance the potential pool of trustees, the charity has, through selective advertising, sought to identify potential trustees.

The more traditional business skills are well represented on the Supervisory Board. In an effort to maintain this broad skill mix, members of the Supervisory Board are requested to provide a list of their skills (and update it each year). In the event of particular skills being lost due to retirement, the charity will seek to recruit new members to the Board possessing those skills.

Pay and remuneration of key management personnel is set by reviewing the market rates for those positions and also to compare rates with competition in the same locality and sector.

Trustee induction and training

New trustees are encouraged to attend an induction programme, which includes meetings with the Chief Executive (explanation of operational procedures) and Finance Director (explanation of budgets and accounts). This would be followed by visits to each of the charity's schemes.

Operational Structure

TLA has a Supervisory Board of up to five members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has five members from a variety of professional backgrounds, relevant to the work of the charity. The Secretary also sits on the Board but has no voting rights. The Supervisory Board is supported by an Executive Board that meets monthly.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the Chief Executive and Finance Director. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Senior Managers who report directly to the Chief Executive, have responsibility for day-to-day operational care of the charity, individual supervision of the staff team and also for ensuring that the teams continue to develop their skills and working standards in line with good practice.

Insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect the directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £1,000,000 on any claim. It is not possible to quantify the directors and officers indemnity element from the overall cost of the commercial insurance policy. The cost of this insurance forms part of the total insurance cost.

Objectives and Activities

The charity's objectives are:

- To relieve poverty, sickness, infirmity, in old age in particular, but not exclusively by means of a provision of accommodation and the provision of advice and counseling.
- The advancement of education, including by (but not limited to) the provision of advice and training and advancing the educational development and care of children especially those under the age of five and advancing the education of those responsible for their day to day care.

Report of the Supervisory Board (continued)

Activities

The principal activities of Turning Lives Around during the year continued to be the provision of supported housing for single homeless people.

Turning Lives Around continues to provide supported housing and floating support services throughout the cities of Leeds and Wakefield, for which demand remains high.

From April 2023 the activities of Business 900 CIC were transferred to TLA under the name Cleanstart.

During the year no material goods or services were donated to the charity to further its objectives or activities.

The strategies employed to assist the charity to meet its objectives include the following:

- Providing a range of services that are reflective of relevant quality standards and addressing the potential issues related to drug and alcohol misuse.
- Providing a floating support service to men and women at risk of losing their tenancies as a result of drug and alcohol abuse.
- Providing accommodation with support, advice and basic skills training for young people.
- Providing accommodation and support to men and women who display a number of long standing support needs, which prevent them from living safely and independently within the community.

Partner Agencies

Accent Group	Leeds Federated Housing Association
Children in Vulnerable Accommodation (CHIVA)	Leeds Metropolitan University
Connect Housing	Leeds University
Drugs & Offender Management Unit (DOMU)	Leeds Youth Offending Team (YOT)
Huddersfield University	Places for People
Leeds Children's Fund	Sanctuary Housing Association
West Yorkshire Probation Service	Foundation UK
Gipsil	Invest North Ltd
Unity Homes	Touchstone
Leeds City Council	Wakefield City Council

Financial Review and Funding Sources

The year 2023-2024 was still experiencing problems in recruitment and retention and although the influence was not as financially severe as the previous year the problem has not gone away. After a very intense review of the organisation's funding it was apparent a necessary change was required so that TLA could properly recover the costs associated with managing all the properties utilised throughout its services. The financial year to 31 March 2024 benefitted from an uplift in funding for the support contracts, a detailed rent review was undertaken and from improvements made in managing voids and controlling costs where possible. The majority of services generated a surplus during the year to 31 March 2024. A welcome return to an overall surplus for the organization after previous years deficits begins to rebuild the charity's reserves from a very depleted position. Each service continues to deal with increasingly challenging clients and to their credit mostly successfully.

Report of the Supervisory Board (continued)

The future is still going to be challenging, contract renewals and the negotiations associated with those renewals will be important for the future success of the charity. TLA is currently in the process of extending some of these contracts for a further 3 years, these are anticipated to be renewed by the end of 2024. The organization continues with fundraising activities aimed at the private sector, philanthropic organizations and also from individuals.

The Statement of Financial Activities (SOFA) for both the main charity and the group made a surplus of £410,362 in the year. See reserves policy set out below for the impact this has had on the charities reserves.

Principal Funding Sources

Leeds City Council Neighbourhoods and Housing Department
 Leeds City Council Social Services Department
 Wakefield City Council Housing Sustainment Pathway

Capital Funding

Right to Buy Replacement Program Funding

Other Charity Funding

- Henry Smith Charity
- Basis

Achievements and Performance

The Services

The main area of charitable activities continues to be provision of accommodation with support and outreach work for vulnerable homeless people. TLA works across all the geographical locations in Leeds and Wakefield.

TLA provides housing and support services to people struggling to cope with a broad range of issues including mental health, learning difficulties, drug and alcohol abuse, domestic violence, refugees and offending integration. Our aim is to support people in developing the skills, knowledge and confidence necessary to live successfully and safely in their own homes and to engage effectively within their community.

Every year we regularly seek the views of all our stakeholders by means of a questionnaire. The returned questionnaires are analysed and any suggested improvements to our services are addressed. Performance in all contracts has been successful and the charity continues to strive for and safeguard healthy reserves.

Measures or indicators to assess performance include: monthly Management Accounts compared to budgets, cash flow management and forecasts, void performance by service and for the organisation, planned outcomes, client outcomes, complaints and incidents, utilisation levels of properties and staff attendance.

Report of the Supervisory Board (continued)

Safeguarding

TLA continues to place the Safeguarding of adults and children central to all the work we do. We have highly experienced and well trained Senior Managers who lead on Safeguarding issues and all staff regularly receives Safeguarding training.

Future Plans

TLA is investing in the purchase of properties to increase it's own stock. TLA is working towards becoming a Registered Provider of Social Housing. TLA also plans to further its work in related areas and to extend its services further into different regions within Yorkshire. TLA seeks to advance its commitment to a social enterprise and now operates a work-focused initiative to employ and train existing service users.

Fixed assets

Movements in fixed assets are shown in note 14 in the financial statements.

Reserves policy

In line with the Charity Commission guidelines the Members of the Supervisory Board have formulated a reserves policy to ensure that a minimum level of reserves is maintained to ensure that Turning Lives Around can continue to provide a level of service having regard to possible future fluctuations in both income and expenditure.

As set out and explained in note 21, the charity has a number of designated reserves to meet specific expenditure as well as an unrestricted general reserve.

These reserves are set out below;

	2024		2023	
	Charity £	Consol'd £	Charity £	Consol'd £
Restricted Funds (note 20)	354,368	354,368	312,550	312,550
Designated Reserves (note 21)	111,448	111,448	74,141	74,141
General Reserves (note 21)	496,661	496,661	119,358	119,503
	<hr/>			
Total before pension liability	962,477	962,477	506,049	506,194
Pension Reserve (note 21)	-	-	-	-
	<hr/>			
	962,477	962,477	506,049	506,194

The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

Report of the Supervisory Board (continued)

Risk management

The Supervisory Board has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a forward plan which has allowed and will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charitable Company. These procedures are continually being reviewed to ensure that they still meet the needs of the Charity and also to identify new areas in which the Charity could contribute to the disadvantaged of the city.

Statement of the responsibilities of the members of the Supervisory Board

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Report of the Supervisory Board (continued)**Statement as to disclosure of information to auditors**

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution proposing that Brown Butler Chartered Accountants be reappointed as auditors of the charity will be put to the Annual General Meeting.

Public benefit

The Supervisory Board have had regard to the Charity Commission's guidance on public benefit and confirm that this guidance forms the basis of planning decisions at both strategic and operational levels.

The report of the members of the Supervisory Board was approved on 22nd October 2024 and signed on their behalf by:



Mr. A D Marriott BA FCCA
Secretary

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Opinion

We have audited the financial statements of Turning Lives Around Ltd (the "charitable parent company") and its subsidiaries (the "group") for the year ended 31 March 2024, which comprise the Consolidated and Company Statement of Financial Activities, the Consolidated and Company Balance Sheets, 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 charitable parent company's affairs as at 31 March 2024 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;
- have been properly prepared in accordance with the Charities SORP FRS102 (October 2019) and the Charities Act 2011.

Basis of 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 and charitable parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charitable parent 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 Turning Lives Around Ltd

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Other information

The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's 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.

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Independent Auditor's Report to the Members of Turning Lives Around Ltd

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Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purpose 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 group's and charitable parent 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 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 auditor under the Companies Act 2006 and report in accordance with this Act.

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.

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

Capability of the audit in detecting irregularities, including fraud

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 key laws and regulations we have considered in this context included the Companies Act 2006, the Charities Act 2011, pension and tax legislation together with the Charities SORP FRS102 (October 2019). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's and charitable parent company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the trustees and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the group's and charitable parent company's regulatory and legal correspondence and discussed with the trustees and other management any known or suspected instances of fraud or non-compliance with laws and regulations.

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Independent Auditor's Report to the Members of Turning Lives Around Ltd

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Capability of the audit in detecting irregularities, including fraud - continued

- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries and we performed analytical procedures to identify any unusual or unexpected relationships. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements. We also discussed related party relationships and transactions involving them.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

Use of our report

This report is made solely to the charitable parent 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 parent 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 parent company and the charitable parent company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola Taylor (Senior Statutory Auditor)
For and on behalf of Brown Butler
Chartered Accountants and Statutory Auditor
Leigh House
28-32 St Paul's Street
Leeds
LS1 2JT

22 October 2024

**Charity only Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2024**

	Notes	Unrestricted			TOTAL	TOTAL
		General Funds	Designated Funds	Restricted Funds	2024	2023
		£	£	£	£	£
INCOME FROM :						
Donations and legacies	3	45,575	63,862		109,437	114,334
Charitable activities:						
Contract funding	4	2,893,511		49,783	2,943,294	2,765,214
Income from rent	4	4,508,181			4,508,181	3,743,931
Other Trading Activities	5	51,677			51,677	-
Investments	6	2			2	5
Total		7,498,946	63,862	49,783	7,612,591	6,623,484
EXPENDITURE ON :						
Raising funds	7	93,453			93,453	36,590
Charitable activities:						
Support Services	7	3,273,132	8,733	7,965	3,289,830	3,138,159
Housing Management	7	3,662,350	156,451		3,818,801	3,855,070
Other Charitable Services	7	-			-	-
Total		7,028,935	165,184	7,965	7,202,084	7,029,819
Net Income / (Expenditure)		470,011	(101,322)	41,818	410,507	(406,335)
Gross transfer between funds		(138,629)	138,629	-	-	-
Net Income / (Expenditure)		331,382	37,307	41,818	410,507	(406,335)
Other recognised gains & losses						
Gains on revaluation of assets		22,921			22,921	16,482
Actuarial gains on defined benefit pension scheme		23,000			23,000	571,000
Exceptional Item Impairment Business 900		-			-	(17,068)
Net movement in Funds		377,303	37,307	41,818	456,428	164,079
Reconciliation of funds						
Funds at 1 April 2023		119,358	74,141	312,550	506,049	341,970
Funds at 31 March 2024		496,661	111,448	354,368	962,477	506,049

All the charitable company's activities derive from continuing operations during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Consolidated Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2024

	Notes	Unrestricted			TOTAL	TOTAL
		General Funds	Designated Funds	Restricted Funds	2024	2023
		£	£	£	£	£
INCOME FROM :						
Donations and legacies	3	45,575	63,862		109,437	114,334
Charitable activities:						
Contract funding	4	2,893,511		49,783	2,943,294	2,765,214
Income from rent	4	4,508,181			4,508,181	3,743,931
Other trading activities	5	51,677			51,677	34,791
Investments	6	2			2	5
Total		7,498,946	63,862	49,783	7,612,591	6,658,275
EXPENDITURE ON :						
Raising funds	7	93,455			93,455	184,953
Charitable activities:						
Support Services	7	3,273,140	8,733	7,965	3,289,838	3,138,159
Housing Management	7	3,662,485	156,451		3,818,936	3,774,632
Other Charitable Services	7	-			-	-
Other costs						
Corporation tax	7, 10	-			-	-
Total		7,029,080	165,184	7,965	7,202,229	7,097,744
Net Income / (Expenditure)		469,866	(101,322)	41,818	410,362	(439,469)
Gross transfer between funds		(138,629)	138,629	-	-	-
Net Income / (Expenditure)		331,237	37,307	41,818	410,362	(439,469)
Other recognised gains & losses						
Gains on revaluation of assets		22,921			22,921	16,482
Actuarial gains on defined benefit pension scheme		23,000			23,000	571,000
Exceptional Item		-			-	-
Impairment Business 900		-			-	-
Net movement in Funds		377,158	37,307	41,818	456,283	148,013
Reconciliation of funds						
Funds at 1 April 2023		119,503	74,141	312,550	506,194	358,181
Funds at 31 March 2024		496,661	111,448	354,368	962,477	506,194

All the charitable company's activities derive from continuing operations during the above financial periods.

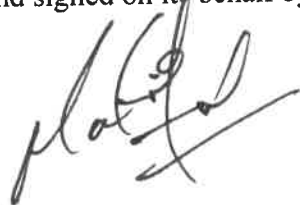
The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Charity only Balance sheet as at 31 March 2024

	Note	2024	2023
		£	£
FIXED ASSETS			
Intangible assets	13	-	-
Tangible assets	14	1,157,599	1,026,995
Investments	15	<u>-</u>	<u>-</u>
		1,157,599	1,026,995
CURRENT ASSETS			
Debtors	16	657,844	553,201
Cash at bank and in hand		<u>366,215</u>	<u>65,358</u>
		1,024,059	618,559
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	17	<u>787,043</u>	<u>891,192</u>
		787,043	891,192
NET CURRENT ASSETS/(LIABILITIES)		<u>237,016</u>	<u>(272,633)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,394,615	754,362
Creditors – amounts falling due after one year	18	297,257	248,314
Provisions for liabilities	19	134,881	-
NET ASSETS excluding pension liability		<u>962,477</u>	<u>506,049</u>
Defined pension scheme liability	28	-	-
NET ASSETS incl pension liability		<u>962,477</u>	<u>506,049</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	20	354,368	312,550
Unrestricted Funds	21	608,109	193,499
Pension Reserve	21	-	-
Total Funds		<u>962,477</u>	<u>506,049</u>

These financial statements were approved and authorised for issue by the Supervisory Board on 22nd October 2024 and signed on its behalf by :-

Martin Ford



The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Consolidated Balance sheet as at 31 March 2024

	Note	2024	2023
		£	£
FIXED ASSETS			
Intangible assets	13	-	-
Tangible assets	14	<u>1,157,599</u>	<u>1,033,388</u>
		1,157,599	1,033,388
CURRENT ASSETS			
Debtors	16	657,844	552,986
Cash at bank and in hand		<u>366,215</u>	<u>73,228</u>
		1,024,059	626,214
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	17	<u>787,043</u>	<u>901,392</u>
		787,043	901,392
NET CURRENT ASSETS/(LIABILITES)		<u>237,016</u>	<u>(275,178)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,394,615	758,210
Creditors – amounts falling due after one year	18	297,257	252,016
Provisions for liabilities	19	134,881	-
NET ASSETS excluding pension liability		<u>962,477</u>	<u>506,194</u>
Defined pension scheme liability	28	-	-
NET ASSETS incl pension liability		<u><u>962,477</u></u>	<u><u>506,194</u></u>
THE FUNDS OF THE CHARITY			
Restricted Funds	20	354,368	312,550
Unrestricted Funds	21	608,109	193,644
Pension Reserve	21	-	-
Total Funds		<u><u>962,477</u></u>	<u><u>506,194</u></u>

These financial statements were approved and authorised for issue by the Supervisory Board on 22nd October 2024 and signed on its behalf by :-

Martin Ford



The notes on pages 20 to 44 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 March 2024

	Note	2024	2023
		£	£
Net cash flow from operating activities	26	442,094	(56,005)
Corporation tax		-	-
Cash flow from investing activities			
Payments to acquire tangible fixed assets	(149,334)		(94,547)
Interest received	<u>2</u>		<u>5</u>
Net cash flow from investing activities		<u>(149,332)</u>	<u>(94,542)</u>
		292,762	(150,547)
Cash flow from financing activities			
New loans	66,000		-
Loan repayments	(14,736)		(12,078)
Finance lease repayments	(14,734)		(16,326)
Hire purchase repayments	(8,512)		(4,810)
Interest paid	<u>(27,792)</u>		<u>(15,762)</u>
Net cash flow from financing activities		<u>226</u>	<u>(48,976)</u>
Net increase/(decrease) in cash		292,988	(199,523)
Cash at 1 April 2023		<u>73,227</u>	<u>272,750</u>
Cash at 31 March 2024		<u><u>366,215</u></u>	<u><u>73,227</u></u>

The notes on pages 20 to 44 form part of these financial statements.

Notes to financial statements for the year ended 31 March 2024.

1. General information

Turning Lives Around is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

The charity is incorporated in England & Wales, is registered as a charity with the Charity Commissioners and is also a public benefit entity as defined by Financial Reporting Standard 102 the "Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

Its registered office and principal place of business is:-

Photon House
Percy Street
Leeds
LS12 1EL

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102 (2022), the 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) (SORP (FRS 102) issued October 2019) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Funds

Unrestricted funds 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes to financial statements for the year ended 31 March 2024.

2.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and these require a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably, and the charity has control over the item. Fair value is determined based on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Grants received for the acquisition of fixed assets are accounted for as restricted funds. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned. Other grants are treated as income and, where applicable, they are accounted for as restricted funds. Where the grant covers future accounting periods, the amount relating to future periods is deferred and recognised in the correct period.

2.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

2.5 Support costs allocation

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 7.

Notes to financial statements for the year ended 31 March 2024.

2.6 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of amortisation are as follows:-

Asset class	Amortisation method and rate
Website	20% straight line basis

2.7 Tangible fixed assets

Freehold property and leasehold property are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Other than freehold and leasehold properties, depreciation is provided on tangible fixed assets on a straight line basis, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

Leasehold improvements	- 5 years
Motor Vehicles	- 4 years
Furniture and equipment	- 2-10 years

2.8 Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the SoFA. The reversal of an impairment loss is recognised immediately in the SoFA.

2.9 Investments

Investments in subsidiaries are measured at cost less impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Notes to financial statements for the year ended 31 March 2024.

2.12 Leases

Fixed assets acquired under finance lease and hire purchase contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest attributable to each period is charged to the SOFA.

Operating lease rentals are charged to the SOFA as incurred.

2.13 Pensions

The charity operates a defined benefit pension scheme with the Local Government Pension Scheme (LGPS) and a defined contribution pension scheme. The assets of both schemes are held in separate trustee administered funds and those in the LGPS are subject to actuarial valuation.

The assets and liabilities of the LGPS are measured using the roll forward approach. This approach is a method of approximately calculating pension scheme assets and liabilities by making adjustments to the results of the last full actuarial valuation exercise. The last full actuarial valuation was performed at 31 March 2022. The amounts charged to the SoFA are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the SoFA and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The pension costs charged to the SoFA regarding the defined contribution scheme are the premiums payable in respect of the accounting period.

2.14 Taxation

The charity considers that it meets the definition of a charitable company for UK corporation tax purposes and is accordingly potentially exempt from tax in respect of its income and gains.

2.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for a minimum of 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Notes to financial statements for the year ended 31 March 2024.

2.16 Critical accounting estimates and assumption

The charity makes estimates and assumptions concerning the future and the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The main area of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to the estimates used in valuing the Local Government Pension Scheme (LGPS) and the properties held at fair value.

The present value of the LGPS defined benefit asset/liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension asset/liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions assets and liabilities at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

The carrying amount of the properties held at fair value are disclosed in note 14.

3 Donations and legacies Charity and Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2024	2023
	£	£	£	£	£
Donations	-	56,461	-	56,461	4,237
Other grants	45,575	7,401	-	52,976	108,970
Sundry income	-	-	-	-	1,127
	45,575	63,862	-	109,437	114,334

Income from donations and legacies in the year ended 31 March 2023 was £114,334 of which £89,942 was attributable to general funds and £24,392 attributable to designated funds.

Notes to financial statements for the year ended 31 March 2024.

4 Charitable activities
Charity and Consolidated

Contract funding	Unrestricted			Total 2024 £	Total 2023 £
	General £	Designated £	Restricted £		
Leeds City Council Neighborhood's and Housing Strategy & Commissioning Wakefield City Council Housing Sustainment Pathway	2,263,962	-	-	2,263,962	2,170,763
Other grants	627,638	-	49,783	627,638	495,400
	1,911	-	-	51,694	99,051
	2,893,511	-	49,783	2,943,294	2,765,214

Income from contract funding in the year ended 31 March 2023 was £2,765,214 of which £2,694,613 was attributable to general funds and £70,601 was attributable to restricted funds.

Income from rent

Turning Lives Around provides accommodation for single homeless people. For the majority of residents their only financial support is state benefit. Turning Lives Around charges rents to its residents. The rate at which rent is charged is regulated by the housing associations that it works in partnership with.

	Unrestricted			Total 2024 £	Total 2023 £
	General £	Designated £	Restricted £		
Rent receivable	4,945,672	-	-	4,945,672	4,266,057
Voids	(347,173)	-	-	(347,173)	(430,812)
Bad debts written-off	(90,318)	-	-	(90,318)	(91,314)
	4,508,181	-	-	4,508,181	3,743,931

Income from rent in the year ended 31 March 2023 was £3,743,931 all of which was attributable to general funds.

5 Other trading activities
Charity only

	Unrestricted			Total 2024 £	Total 2023 £
	General £	Designated £	Restricted £		
Cleaning services	51,677	-	-	51,677	-
Grant income	-	-	-	-	-
	51,677	-	-	51,677	-

Other trading activities
Consolidated

	Unrestricted			Total 2024 £	Total 2023 £
	General £	Designated £	Restricted £		
Cleaning services	51,677	-	-	51,677	34,791
Grant income	-	-	-	-	-
	51,677	-	-	51,677	34,791

Other trading activities in the year ended 31 March 2023 was £34,791 all of which was attributable to general funds.

Notes to financial statements for the year ended 31 March 2024.

6 Income from investments
Charity and consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2024	2023
	£	£	£	£	£
Bank interest received	2	-	-	2	5
	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>5</u>

Income from investments in the year ended 31 March 2023 was £5 all of which was attributable to general funds.

7 Expenditure on
Charity only

	Unrestricted			Total	Total
	General	Designated	Restricted	2024	2023
	£	£	£	£	£
Raising funds					
<i>Costs re investment properties</i>	-	-	-	-	-
<i>Fund raising activities</i>	93,453	-	-	93,453	36,590
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	3,273,132	8,733	7,965	3,289,830	3,138,159
<i>Housing Management</i>	3,662,350	156,451	-	3,818,801	3,855,070
Other Charitable Activities	-	-	-	-	-
	<u>7,028,935</u>	<u>165,184</u>	<u>7,965</u>	<u>7,202,084</u>	<u>7,029,819</u>

Expenditure for the year ended 31 March 2023 was £7,029,819 of which £6,977,785 was attributable to general funds, £44,069 was attributable to designated reserves and £7,965 was attributable to restricted reserves.

Governance Costs included within support costs

	2024	2023
	£	£
Audit and accountancy fees	16,800	13,980
Legal and professional fees	19,433	23,081
Annual general meeting costs	1,379	1,010
	<u>37,612</u>	<u>38,071</u>

Note 7 is continued on page 27

Notes to financial statements for the year ended 31 March 2024.

CHARITY ONLY
NOTES ON THE ACCOUNTS - 31 MARCH 2024

7 EXPENDITURE ON :

	COSTS ALLOCATION		CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS		FUND RAISING ACTIVITIES			TOTAL 2024	TOTAL 2023
	Costs directly allocated to activities	£	SUPPORT SERVICES	HOUSING MANAGEMENT	RESTRICTED FUNDS	INVESTMENTS	FUND RAISING	TOTAL	£
Staff costs	Direct	2,465,777	1,069,002					3,608,013	3,220,651
Agency staff	Direct	255,543						255,543	395,914
Recruitment	Direct	11,889	1,512					13,401	25,258
Premises	Direct	1,999	1,495,547					1,497,546	1,433,877
Insurance	Direct	10,093	54,850				906	65,849	53,252
Maintenance	Direct	27,246	360,670			0	28	387,944	341,576
Furniture & renewals	Direct		204,958			0	7	204,965	296,779
Heat and light	Direct		100,439			0	0	104,353	129,070
Travel	Direct	3,914							
Printing, Postage & Stationery	Direct	49,047	1,191				3,337	53,775	56,984
Communications	Direct	21,190	4,650			0	246	26,086	21,874
Cleaning	Direct	39,422	4,650			0	125	44,197	44,467
Training & conferences	Direct	25,555	83,656			0	3,486	112,697	219,350
Translation & Interpretation	Direct	19,452	3,106				26	22,584	26,505
Loan interest	Direct	987						987	1,829
Service users' welfare	Direct	14,791	22,535			0	0	22,535	11,685
Finance lease interest	Direct		58,077			0	0	72,868	93,540
Finance cost re LGPS Pension	Direct		5,257					5,257	2,710
		(17,000)						(17,000)	14,000
		2,929,905	3,470,100	0		0	81,595	6,481,600	6,391,321
Support costs allocated to activities									
Office and finance staff costs	Pro-rata	186,351	173,366					371,292	318,812
Agency staff	Pro-rata	9,891	9,704					19,595	13,123
Books & publications	Pro-rata	29	29					58	513
Subscriptions	Pro-rata	2,333	2,289					4,622	4,170
Legal & professional	Pro-rata	9,809	9,624					19,433	23,081
Operating lease rentals	Pro-rata	24,406	23,945					48,351	48,419
Office equipment	Pro-rata	0	0					0	0
Computer costs	Pro-rata	44,174	43,340					87,514	86,986
Depreciation	Usage	11,299	28,780	7,965				48,044	49,819
Consultancy	Pro-rata	47,810	25,745					73,555	52,260
Audit and accountancy fees	Pro-rata	8,480	8,320					16,800	13,980
Bank charges	Pro-rata	3,924	3,851					7,775	4,172
Publicity	Pro-rata	22	22					44	1,111
Annual general meeting	Pro-rata	696	683					1,379	1,010
Refreshments	Pro-rata	1,776	1,743					3,519	2,421
Other costs	Pro-rata	960	17,260				283	18,503	18,621
		351,960	348,701	7,965		0	11,858	770,484	638,498
		3,281,865	3,818,801	7,965		0	93,453	7,202,084	7,029,819

Notes to financial statements for the year ended 31 March 2024.

7 Expenditure on, continued from page 27
Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2024	2023
	£	£	£	£	£
Raising funds					
<i>Trading costs</i>	-	-	-	-	148,363
<i>Fund raising activities</i>	93,455	-	-	93,455	36,590
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	3,273,140	8,733	7,965	3,289,838	3,138,159
<i>Housing Management</i>	3,662,485	156,451	-	3,818,936	3,774,632
Other Charitable Activities	-	-	-	-	-
	7,029,080	165,184	7,965	7,202,229	7,097,744
Other costs					
<i>Corporation Tax</i>	-	-	-	-	-
	7,029,080	165,184	7,965	7,202,229	7,097,744

Expenditure for the year ended 31 March 2023 was £7,097,744 of which £7,045,710 was attributable to general funds, £44,069 was attributable to designated reserves and £7,965 was attributable to restricted reserves.

Consolidated governance Costs included within support costs

	2024	2023
	£	£
Audit and accountancy fees	16,800	18,008
Legal and professional fees	19,433	23,081
Annual general meeting costs	1,379	1,010
	37,612	42,099

Note 7 is continued on page 29

Notes to financial statements for the year ended 31 March 2024.

CONSOLIDATED
NOTES ON THE ACCOUNTS - 31 MARCH 2024

7 EXPENDITURE ON :

BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS			FUND RAISING ACTIVITIES			TOTAL 2024	TOTAL 2023
	SUPPORT SERVICES	HOUSING MANAGEMENT	RESTRICTED FUNDS	TRADING COSTS	FUND RAISING	TOTAL	£	£
	£	£	£	£	£	£	£	£
Costs directly allocated to activities								
Staff costs	2,465,777	1,069,002			73,234	73,234	3,608,013	3,321,773
Agency staff	255,543				0	0	255,543	389,498
Recruitment	11,889	1,512					13,401	25,258
Premises	1,999	1,495,547					1,497,546	1,435,877
Insurance	10,093	54,850			906	906	65,849	55,613
Maintenance	27,246	360,670			28	28	387,944	320,124
Furniture & renewals		204,958			7	7	204,965	296,779
Heat and light	3,914	100,439					104,353	129,070
Travel	49,047	1,191			3,537	3,537	53,775	68,221
Printing, Postage & Stationery	21,190	4,650			246	246	26,086	21,902
Communications	39,422	4,650			125	125	44,197	44,587
Cleaning	25,555	83,656			3,486	3,486	112,697	160,364
Training & conferences	19,452	3,106			26	26	22,584	26,505
Translation & Interpretation	987						987	1,829
Loan interest		22,535					22,535	11,685
Service users' welfare	14,791	58,077					72,868	104,765
Finance lease interest		5,257					5,257	4,077
Finance cost re LGPS Pension	(17,000)						(17,000)	14,000
	2,929,905	3,470,100	0	0	81,595	81,595	6,481,600	6,431,927
Support costs allocated to activities								
Office and finance staff costs	186,351	173,366			11,575	11,575	371,292	334,420
Agency staff	9,891	9,704					19,595	13,123
Books & publications	29	29					58	513
Subscriptions	2,333	2,289					4,622	4,170
Legal & professional	9,809	9,624					19,433	23,081
Operating lease rentals	24,406	23,945					48,351	48,419
Office equipment	0	0					0	0
Computer costs	44,174	43,340					87,514	87,184
Depreciation	11,299	28,780					48,044	55,417
Consulancy	47,810	25,745	7,965				73,555	52,260
Audit and accountancy fees	8,480	8,320					16,800	18,008
Bank charges	3,924	3,851					7,775	4,172
Publicity	22	22					44	1,111
Annual general meeting	696	683					1,379	1,010
Refreshments	1,776	1,743					3,519	2,421
Other costs	968	17,395			285	285	18,648	20,508
	351,968	348,836	7,965	0	11,860	11,860	720,629	665,817
	3,281,873	3,818,936	7,965	0	93,455	93,455	7,202,229	7,097,744

Notes to financial statements for the year ended 31 March 2024.

8 Net incoming/(outgoing) resources for the year

	2024		2023	
	Charity £	Consol'd £	Charity £	Consol'd £
Depreciation	48,044	48,044	47,386	52,984
Amortisation	-	-	2,433	2,433
Operating lease charges	49,096	49,096	48,419	48,419
Interest on loans	22,535	22,535	11,685	11,685
Interest on finance leases	2,710	2,710	2,710	2,710
Interest on hire purchase	2,547	2,547	-	1,367
Finance costs on LGPS Pension	(17,000)	(17,000)	14,000	14,000

9 Auditor's remuneration

	2024 £	2023 £
Audit fee in respect of the financial statements	14,025	12,825
Other fees payable to auditor :		
Audit of the charity's subsidiaries	-	3,490
Tax compliance services	-	180
Non audit services	3,315	3,475
	3,315	7,145

10 Tax on net income
Consolidated

	2024 £	2023 £
Current Taxation		
UK Corporation Tax	-	-
Adjustment to prior year	-	-
Deferred taxation		
Origination and reversal of timing differences	-	-
Tax on net income	-	-

The tax charge for the year is higher than (2023: higher than) the standard rate of corporation tax in the UK of 25% (2023: 19%).

The differences are reconciled below:

	2024 £	2023 £
Net income before tax	495,243	(439,469)
Corporation tax at standard rate	123,811	(83,499)
Effects of net (income)/expenditure exempt from taxation	(123,811)	89,795
Effects of expenses not deductible for tax purposes	-	(904)
Effect of taxation losses	-	(5,392)
Adjustment to prior year	-	-
Total tax charge	-	-

Notes to financial statements for the year ended 31 March 2024.

11 Material transfers between funds

There was a £134,881 transfer from general funds to the newly formed Dilapidation fund to cover the in year £134,881 provision charge and any future costs.

12 Staff costs and numbers

	2024		2023	
	Charity £	Consol'd £	Charity £	Consol'd £
Salaries and wages	3,547,082	3,547,082	3,123,002	3,222,882
Social Security costs	310,824	310,824	279,400	287,024
Pension contributions :-				
Contributions to defined contribution scheme	91,163	91,163	83,369	86,179
Operating costs re defined benefit scheme	40,000	40,000	59,000	59,000
	3,989,069	3,989,069	3,544,771	3,655,085

The above figures include £23,930 made in respect of redundancy and termination payments.
(2023: £28,000)

	2024 No.	2023 No.
Employees paid between £60,001 and £70,000	1	-
£70,001 and £80,000	-	-
£80,001 and £90,000	1	-

No remuneration was paid during the year to any member of the Supervisory Board, nor were there any expenses reimbursed to them.

In addition, during the year, M White charged the charitable company £17,150 (2023: £11,050) in respect of consultancy fees.

The average weekly number of employees during the year, analysed by function, was:

Number of employees	2024		2023	
	Charity	Consol'd	Charity	Consol'd
Support Services & Housing Management	124	124	118	118
Other Charitable Services	-	-	-	6
Support costs	11	11	11	11
	135	135	129	135

Notes to financial statements for the year ended 31 March 2024.

13 Intangible fixed assets

Parent & Consolidated

	Website £	Total £
Cost		
At 31 March 2023	12,162	12,162
At 31 March 2024	12,162	12,162
Amortisation		
At 31 March 2023	12,162	12,162
Charge for the year	-	-
At 31 March 2024	12,162	12,162
Net Book Value		
At 31 March 2023	-	-
At 31 March 2024	-	-

The amortization charge for the year is included within the SoFA heading of expenditure on charitable activities.

The intangible fixed assets have been pledged as security for liabilities of the charity.

14 Tangible fixed assets

	Freehold Property £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Cost / valuation						
At 1 April 2023	730,000	170,000	10,977	0	518,501	1,429,478
Additions during year	122,079			14,752	18,896	155,727
Disposals during the year						0
Revaluation	17,921	5,000				22,921
At 31 March 2024	870,000	175,000	10,977	14,752	537,397	1,608,126
Depreciation						
At 1 April 2023			10,977	0	391,506	402,483
Charge for year				3,249	44,795	48,044
Relating to disposals						0
At 31 March 2024	0	0	10,977	3,249	436,301	450,527
Net Book Value						
At 1 April 2023	730,000	170,000	0	0	126,995	1,026,995
At 31 March 2024	870,000	175,000	0	11,503	101,096	1,157,599

The tangible fixed assets have been pledged as security for liabilities of the charity.

The freehold properties and the leasehold property were revalued on 31 March 2024 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method.

Notes to financial statements for the year ended 31 March 2024.

14 Tangible fixed assets, continued from page 32

The historical cost of the properties included at valuation is as follows:-

	Freehold properties £	Leasehold Property £	Total £
Cost	799,051	194,041	993,092
Accumulated depreciation	15,449	11,912	27,361
	783,602	182,129	965,731

Consolidated

	Freehold Properties £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Cost / valuation						
At 1 April 2023	730,000	170,000	10,977	21,600	519,307	1,451,884
Additions during year	122,079			8,394	18,861	149,334
Disposals during year						-
Revaluation	17,921	5,000				22,921
At 31 March 2024	870,000	175,000	10,977	29,994	538,168	1,624,139
Depreciation						
At 1 April 2023	-	-	10,977	15,242	392,277	418,496
Charge for year				3,249	44,795	48,044
Relating to disposals						-
Impairment						-
At 31 March 2024	-	-	10,977	18,491	437,072	466,540
Net Book Value						
At 1 April 2023	730,000	170,000	-	6,358	127,030	1,033,388
At 31 March 2024	870,000	175,000	-	11,503	101,096	1,157,599

The tangible fixed assets have been pledged as security for liabilities of the charity.

Notes to financial statements for the year ended 31 March 2024.

14 Tangible fixed assets, continued from page 33

The freehold properties and leasehold property were valued on 31 March 2024 by an independent valuer, Bramley's LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the properties included at valuation is as follows;

	Freehold property £	Leasehold Property £	Total £
Cost	799,051	194,041	993,092
Accumulated depreciation	15,449	11,912	27,361
	<u>783,602</u>	<u>182,129</u>	<u>965,731</u>

**15 Investments held as fixed assets
Charity only**

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2023	-	-
Transfers	-	-
Revaluation	-	-
Additions	-	-
At 31 March 2024	<u>-</u>	<u>-</u>
Net book value		
At 1 April 2023	-	-
At 31 March 2024	<u>-</u>	<u>-</u>

Notes to financial statements for the year ended 31 March 2024.

**15 Investments held as fixed assets, continued from page 34
Charity only**

Details of undertakings

In the opinion of the trustees, the aggregate value of the company's investment in the subsidiary undertaking is not less than the amount included in the balance sheet.

From 1 April 2023 the activities of Business 900 CIC were transferred to Turning Lives Around Ltd. On 23 April 2024 Business 900 CIC was dissolved.

Undertaking	Business 900 Community Interest Company
Company number	06913644
Holding	-
Proportion of voting rights and shares held	100%

The undertaking had the following registered office address :-

4 Ashbrooke Business Park
Parkside Lane
Leeds
West Yorkshire
LS11 5SF

16 Debtors

	2024		2023	
	Charity £	Consol'd	Charity £	Consol'd
Due within one year:				
Net rents in arrears	482,178	482,178	344,853	344,853
Amounts owed by group undertaking	-	-	29,632	-
Other debtors	40,917	40,917	37,022	63,602
Prepaid expenses	134,749	134,749	141,694	144,531
	657,844	657,844	553,201	552,986

The debtor balances of £657,844 (Charity) (2023: £553,201) have been pledged as security for liabilities of the charity.

Notes to financial statements for the year ended 31 March 2024.

17 Creditors

	2024		2023	
	Charity £	Consol'd £	Charity £	Consol'd £
Amounts falling due within one year:				
Bank loans	16,301	16,301	13,981	13,981
Obligations under finance leases	-	-	14,734	14,734
Hire purchase creditors	-	-	-	4,810
Amounts owed to group undertaking	-	-	16,010	-
Trade creditors	263,566	263,566	407,964	412,639
Other creditors	169,158	169,158	161,652	164,432
Social security and other taxes	73,495	73,495	64,238	74,419
Accruals and deferred income	264,523	264,523	212,613	216,377
	787,043	787,043	891,192	901,392

The bank loans are secured by way of fixed and floating charges over the assets of the company.

18 Creditors - Amounts falling due after one year:

	2024		2023	
	Charity £	Consol'd £	Charity £	Consol'd £
Bank loans	297,257	297,257	248,314	248,314
Finance loan creditors	-	-	-	-
Hire purchase creditors	-	-	-	3,702
	297,257	297,257	248,314	252,016

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The bank loans include £250,890 (2023: £203,515) which fall due after five years and are repayable by instalments.

19 Provisions for liabilities:

	2024		2023	
	Charity £	Consol'd £	Charity £	Consol'd £
At 1 April 2023	-	-	-	-
Increase in provision	134,881	134,881	-	-
At 31 March 2024	134,881	134,881	-	-
Analysis of provisions for liabilities				
Dilapidations	134,881	134,881	-	-

The charity expects £50,000 of the provision to be consumed during the year ending 31 March 2025, with the remaining amount recalculated on an annual basis.

Notes to financial statements for the year ended 31 March 2024.

20 Restricted funds

Charity and consolidated	Balance 01.04.2023	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2024
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	-	-	-	-	-
(iii) Sahara Women Without Recourse Fund	-	-	-	-	-
(iv) Sinclair DAT Fund	-	-	-	-	-
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	127,838	49,783	-	-	177,621
(viii) Computer/IT Fund	23,894	-	(7,965)	-	15,929
	312,550	49,783	(7,965)	-	354,368
	Balance 01.04.2022	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2023
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	(3,500)	-
(iii) Sahara Women Without Recourse Fund	11,118	-	-	(11,118)	-
(iv) Sinclair DAT Fund	29,120	-	-	(29,120)	-
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	57,237	70,601	-	-	127,838
(viii) Computer/IT Fund	41,950	-	(7,965)	(10,091)	23,894
	303,743	70,601	(7,965)	(53,829)	312,550

- (i) The **Dewsbury Road Day Centre Fund** is created to account for capital grants received from the Community Fund and Leeds City Council, in connection with the construction and equipping of the new Day Centre premises.
- (ii) The **Sahara Nationality Fund** is to provide funding for the assistance of women with problems relating to their nationality and immigration status.
- (iii) The **Sahara Women Without Recourse Fund** is used to assist women without recourse to any state benefits and/ or those women whose applications for state benefits are still pending.
- (iv) The **Sinclair DAT Fund** relates to a grant received from 'Drugs Action Team' to pay towards the cost of setting up new offices for the Sinclair scheme.
- (v) The **LCC Refurbishment Fund** has been set up to provide funds for the refurbishment and setting up of properties to be acquired from Leeds City Council.
- (vi) The **Tempest Road Development Fund** is created to account for a donation received from Harrogate Grammar School to assist in the refurbishment of 12 Tempest Road.
- (vii) The **Right to Buy Fund** is created to account for grants received to assist with the purchase of new social housing projects.
- (viii) The **Computer / IT Fund** is created to account for funding received from the Lottery and BT to assist with IT upgrades.

Notes to financial statements for the year ended 31 March 2024.

**21 Unrestricted Funds
Charity only**

	Balance 01.04.2023 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2024 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	52,067	63,862	(8,733)	-	-	107,196
(f) Registered Provider Application Fund	17,822	-	(21,570)	-	3,748	-
(g) Dilapidation Fund	-	-	(134,881)	-	134,881	-
	74,141	63,862	(165,184)	-	138,629	111,448
General Funds	119,358	7,498,946	(7,005,935)	22,921	(138,629)	496,661
Revaluation reserve	-	-	-	-	-	-
	193,499	7,562,808	(7,171,119)	22,921	-	608,109
Pension reserve	-	-	(23,000)	23,000	-	-
	193,499	7,562,808	(7,194,119)	45,921	-	608,109
	Balance 01.04.2022 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2023 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	54,666	24,392	(26,991)	-	-	52,067
(f) Registered Provider Application Fund	34,900	-	(17,078)	-	-	17,822
	93,818	24,392	(44,069)	-	-	74,141
General Funds	442,409	6,528,491	(6,904,785)	(586)	53,829	119,358
Revaluation reserve	-	-	-	-	-	-
	536,227	6,552,883	(6,948,854)	(586)	53,829	193,499
Pension reserve	(498,000)	-	(73,000)	571,000	-	-
	38,227	6,552,883	(7,021,854)	570,414	53,829	193,499

**Unrestricted Funds
Consolidated**

	Balance 01.04.2023 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2024 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	52,067	63,862	(8,733)	-	-	107,196
(f) Registered Provider Application Fund	17,822	-	(21,570)	-	3,748	-
(g) Dilapidation Fund	-	-	(134,881)	-	134,881	-
	74,141	63,862	(165,184)	-	138,629	111,448
General Funds	119,503	7,498,946	(7,006,080)	22,921	(138,629)	496,661
	193,644	7,562,808	(7,171,264)	22,921	-	608,109
Pension reserve	-	-	(23,000)	23,000	-	-
	193,644	7,562,808	(7,194,264)	45,921	-	608,109

Note 21 is continued on page 39

Notes to financial statements for the year ended 31 March 2024.

21 Unrestricted funds, continued from page 38

	Balance 01.04.2022	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2023
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	54,666	24,392	(26,991)	-	-	52,067
(f) Registered Provider Application Fund	34,900	-	(17,078)	-	-	17,822
	93,818	24,392	(44,069)	-	-	74,141
General Funds	458,620	6,563,282	(6,972,710)	16,482	53,829	119,503
	552,438	6,587,674	(7,016,779)	16,482	53,829	193,644
Pension reserve	(498,000)	-	(73,000)	571,000	-	-
	54,438	6,587,674	(7,089,779)	587,482	53,829	193,644

- (a) **General Maintenance Fund** is designated to provide for the cost of property and cyclical maintenance, for which the company may be liable under management agreements with third parties.
- (b) **Furniture/Renewals Fund** is designated to cover the cost of essential refurbishment of properties including a general furniture provision.
- (c) **Redundancy Fund** is designated to provide towards redundancy costs in the event of a staff restructure or reduction in staffing numbers.
- (d) **Welfare Fund** is designated to cover exceptional payments, made within the established policy of the company, to residents who are in financial difficulty.
- (e) **Scheme Funding** the net funds of schemes that are designated to be utilised by those schemes whose efforts raised those funds.
- (f) **Registered Provider Application Fund** is designed to cover the cost of assistance in the application for the company to achieve Registered Provider of Social Housing status.
- (g) **Dilapidation Fund** is designed to cover the cost of repairs on the return of properties to a landlord that are managed by the charity.

Pension Reserve

The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

22 Analysis of net assets between funds excluding pension liability
Charity only

	General Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Fixed assets	982,599	175,000	1,157,599	1,026,995
Current assets	844,691	179,368	1,024,059	618,559
Creditors, falling due within one year	(787,043)	-	(787,043)	(891,192)
Creditors, falling due more than one year	(297,257)	-	(297,257)	(248,314)
Provisions for liabilities	(134,881)	-	(134,881)	-
Net Assets	608,109	354,368	962,477	506,049

Note 22 is continued on page 40

Notes to financial statements for the year ended 31 March 2024.

22 Analysis of net assets between funds excluding pension liability, continued from page 39

Consolidated	General Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Fixed assets	982,599	175,000	1,157,599	1,033,388
Current assets	844,691	179,368	1,024,059	626,214
Creditors, falling due within one year	(787,043)		(787,043)	(901,392)
Creditors, falling due more than one year	(297,257)		(297,257)	(252,016)
Provisions for liabilities	(134,881)		(134,881)	-
Net Assets	608,109	354,368	962,477	506,194

23 Charitable status

The company is a registered charity no 515300 and is exempt from income tax and corporation tax. The company is a limited company by guarantee and has no share capital. In the event of the winding up of the company, the liability of members is limited to a maximum of £1 each.

24 Commitments

At 31 March 2024 the company had future minimum operating leases payments as follows:

	2024 £	2023 £
Within one year	22,460	49,096
Between one and five years	-	22,460
Over five years	-	-
	<u>22,460</u>	<u>71,556</u>

25 Related party transaction

The company has taken advantage under FRS 102 not to disclose details of its transactions of its subsidiary.

During the year, M White charged the charitable company £17,150 (2023: £11,050) in respect of consultancy services.

	2024 £	2023 £
Key management personnel compensation	<u>154,736</u>	<u>157,322</u>

Notes to financial statements for the year ended 31 March 2024.

26 Reconciliation of net expenditure to net cash flow from operating activities

	2024	2023
	£	£
Net income/(expenditure) for the year	410,362	(439,469)
Pension scheme adjustment	23,000	73,000
Interest paid	27,790	15,762
Depreciation and amortisation charges and provisions	182,925	55,417
(Increase)/decrease in debtors	(104,858)	26,236
(Decrease)/increase in creditors	(97,125)	213,049
	<u>442,094</u>	<u>(56,005)</u>

27 Analysis of changes in net debt

	01.04.2023	Net cash flows	Non cash movements	31.03.2024
	£	£	£	£
Cash	73,227	292,988	-	366,215
Debt due within one year	(33,525)	17,224	-	(16,301)
Debt due after one year	(252,016)	(45,241)	-	(297,257)
	<u>(212,314)</u>	<u>264,971</u>	-	<u>52,657</u>

28 Pensions

As explained at note 2.13 the company operates both a defined benefit pension scheme and a defined contribution pension scheme.

The company is a member of the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (LGPS). The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Funds Funding Strategy Statement. The last actuarial valuation was at 31 March 2022.

At the year-end date, under the FRS 102 basis of calculation, the Fund Actuary has calculated the FRS102 valuation of the pension fund position to be a surplus of circa £512,000.

The recognition of this asset is governed by FRS102 by the amount of economic benefit the Trustees believe will be received by the charity either through a direct refund or through a reduction in future contributions.

The Local Government Pension Scheme Regulations do not permit the re-payment of contributions or surplus assets to employers whilst they are an ongoing employer in the fund as was the position at the year-end date. However, the Regulations do permit a payment of an "exit credit" to an employer who exits the Fund. Therefore, the Trustees have the option to consider the possibility of exiting the fund in order to obtain this economic benefit for the charity whilst market conditions are favourable.

The basis on which an exit position is calculated is very different from the basis used for FRS102 calculations and could possibly be a liability, once calculated by the actuary.

Note 28 is continued on page 42

Notes to financial statements for the year ended 31 March 2024.

28 Pensions, continued from page 41

Under FRS102, for recognition of the asset, we also need to consider the second basis for recognition being whether economic benefit could be gained from a reduction in future contributions. Future contributions by the charity are expected to be nil, therefore no benefit could be gained.

Therefore, as the asset recognition criteria cannot be supported with certainty, the Trustees do not believe it is appropriate to recognise the FRS 102 calculated asset, as realisation of such an asset is uncertain.

The Trustees have therefore concluded, due to the uncertainty detailed above, to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

The Fund Administering Authority, City of Bradford Metropolitan Council, is responsible for the governance of the Fund.

The key assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:-

	2024	2023
	%	%
Discount rate for liabilities	4.80	4.70
Pension increases	2.60	2.70
Pension accounts revaluation rate	2.60	2.70
Salaries increases	3.85	3.95
CPI Inflation	2.60	2.70

Mortality assumption

The mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2024	2023
Males		
Member aged 65 at accounting date	21.0	21.6
Member aged 45 at accounting date	22.3	22.9
Females		
Member aged 65 at accounting date	24.2	24.6
Member aged 45 at accounting date	25.2	25.7

Note 28 is continued on page 43

Notes to financial statements for the year ended 31 March 2024.

28 Pensions, continued from page 42

The approximate split of the assets of the Fund is as set out below:-

	2024 %	2023 %
Equities	79.4	80.8
Property	2.8	3.3
Government bonds	8.5	6.9
Corporate bonds	4.2	4.6
Cash	1.8	2.3
Other	3.3	2.1
	<u>100.0</u>	<u>100.0</u>

The actual returns on assets are set out below:-

	2024 £	2023 £
Interest income on assets	111,000	64,000
Gain/(loss) on assets	84,000	(28,000)
Actual return on assets	<u>195,000</u>	<u>36,000</u>

The changes in the fair values of the assets were:-

	2024 £	2023 £
Opening fair value of assets	2,412,000	2,394,000
Interest income on assets	111,000	64,000
Re-measurement gains/(losses) on assets	84,000	(28,000)
Members contributions	11,000	9,000
Net benefits paid out	(97,000)	(27,000)
Closing fair value of assets	<u>2,521,000</u>	<u>2,412,000</u>

The changes in the present values of the defined benefit obligations:-

	2024 £	2023 £
Opening present value of liabilities	2,032,000	2,892,000
Current service costs	40,000	59,000
Interest expense on defined benefit obligations	94,000	78,000
Members contributions	11,000	9,000
Actuarial gains on liabilities	(71,000)	(979,000)
Net benefits paid out	(97,000)	(27,000)
Closing present value of liabilities	<u>2,009,000</u>	<u>2,032,000</u>

Note 28 is continued on page 44

Notes to financial statements for the year ended 31 March 2024.

28 Pensions, continued from page 43

The reconciliation of the funded status of the Fund to the balance sheet is as follows:-

	2024 £	2023 £
Fair value of assets	2,521,000	2,412,000
Present value of funded defined benefit obligations	(2,009,000)	(2,032,000)
Unrecognised asset	(512,000)	(380,000)
	<u> </u>	<u> </u>
Net pension asset/(liability)	<u> </u> -	<u> </u> -

The split of the liabilities at the last valuation between the various categories of members is as follows:-

Active members	50%
Deferred Pensioners	22%
Pensioners	28%

The pension costs recognised in the statement of financial activities are made up as follows:-

	2024 £	2023 £
Operating Costs :-		
Current service cost	40,000	59,000
Finance costs :-		
Interest costs on pension liabilities	(17,000)	14,000
	<u> </u>	<u> </u>
	23,000	73,000
Actuarial gains	(155,000)	(951,000)
	<u> </u>	<u> </u>
Total pension costs recognised	<u> </u> <u> </u>	<u> </u> <u> </u>

Sensitivity Analysis :-

	Base figure £	+0.1% £	-0.1% £
Discount Rate			
Present value of total obligation	2,009,000	1,975,000	2,043,000
Projected service cost	39,000	38,000	40,000
Rate of increase in salaries			
Present value of total obligation	2,009,000	2,015,000	2,003,000
Projected service cost	39,000	39,000	39,000
Rate of increase in pensions			
Present value of total obligation	2,009,000	2,037,000	1,981,000
Projected service cost	39,000	40,000	38,000
Post retirement mortality assumption		-1 year	+1 year
Present value of total obligation	2,009,000	2,061,000	1,959,000
Projected service cost	39,000	40,000	38,000

TURNING LIVES AROUND LTD

England & Wales - Charity number 515300

Accounts

TURNING LIVES AROUND LTD
(A company limited by guarantee)

Trustees' Report and Financial Statements
For the year ended 31 March 2023

Charity number 515300
Company number 1790817

TURNING LIVES AROUND
(A company limited by guarantee)

Financial statements for the year ended 31 March 2023

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Legal and administrative information

Charity name	Turning Lives Around Ltd
Charity registration number	515300
Company registration number	1790817
Registered office and Administration address	4 Ashbrooke Business Park Parkside Lane Leeds LS11 5SF
Supervisory Board	Mr. M. Ford Mrs. M. A. Ballance Mr. M. White Mr. A. Shahab (appointed 02/08/2022) Mrs. S. Pauley (appointed 07/02/2023)
Chief Executive	Mr. S. Hoey
Finance Director and Company Secretary	Mr. A D Marriott BA FCCA
Auditors	Brown Butler Chartered Accountants Leigh House 28 – 32 St. Paul’s Street LEEDS LS1 2JT
Bankers	Lloyds Bank plc PO Box 128 69 Albion Street LEEDS LS1 1YX
Solicitors	Weightmans llp 100 Old Hall Street, LIVERPOOL, L3 9QJ

Report of the Supervisory Board

The members of the Supervisory Board present their report and the audited financial statements for the year ended 31 March 2023.

Members of the Supervisory Board

The members of the Supervisory Board during the year were as follows;

Mr. I. Livingstone (resigned 09/05/2023)	Mr. M. Ford
Mrs. E.R.Tebbs-Ogutu (resigned 22/08/2023)	Mr. R. Lamborn (resigned 02/08/2022)
Mrs. M. A. Ballance	Mr. M. White
Mr. M. J. Meadowcroft (resigned 08/04/2022)	Mrs. S. Jewitt (resigned 01/12/2022)
Mr. M. Kerr (appointed 02/08/2022, resigned 22/08/2023)	
Mr. A. Shahab (appointed 02/08/2022)	Mrs. S. Pauley (appointed 07/02/2023)

Members of the Supervisory Board are directors of the company for the purpose of company law, and trustees for the purpose of charity law.

Accounts

The members of the Supervisory Board submit the audited financial statements of the group for the year ended 31 March 2023. As set out on page 16, the net incoming resources for the year amount to a deficit of £439,469 (a deficit of £146,012 in 2022) and are dealt with as shown in the statement of financial activities. General funds are reporting a deficit for the year of £482,428. Restricted funds showed a surplus for the year of £62,636. Designated funds showed a deficit for the year of £19,677.

Impact Statement

As a result of the company having to comply with the requirements of FRS102 regarding Retirement Benefits within the financial statements, we are required to report the pension liabilities for the legacy staff from Leeds City Council that are members of the West Yorkshire Pension Fund (WYPF). The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

Status

Turning Lives Around is a company limited by guarantee and has no share capital. At 31 March 2023, there were 27 members (2022 - 27), each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the winding up of the company. The company is a registered charity number 515300.

The company has one wholly owned subsidiary Business 900 Community Interest Company, the subsidiary's results are consolidated into the financial statements.

The company is governed by its Memorandum and Articles of Association which outlines the objects and powers of the charitable company. Under the company's Articles of Association, one third of the members of the Supervisory Board retires by rotation at the AGM and are eligible for re-election.

Report of the Supervisory Board (continued)

Governing body – Skills of Supervisory Board

The charity's work focuses upon accommodating and supporting vulnerable homeless people. The Supervisory Board seeks to ensure that the needs of the service users are appropriately reflected through the diversity of membership. To enhance the potential pool of trustees, the charity has, through selective advertising, sought to identify potential trustees.

The more traditional business skills are well represented on the Supervisory Board. In an effort to maintain this broad skill mix, members of the Supervisory Board are requested to provide a list of their skills (and update it each year). In the event of particular skills being lost due to retirement, the charity will seek to recruit new members to the Board possessing those skills.

Pay and remuneration of key management personnel is set by reviewing the market rates for those positions and also to compare rates with competition in the same locality and sector.

Trustee induction and training

New trustees are encouraged to attend an induction programme, which includes meetings with the Chief Executive (explanation of operational procedures) and Finance Director (explanation of budgets and accounts). This would be followed by visits to each of the charity's schemes.

Operational Structure

TLA has a Supervisory Board of up to five members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has five members from a variety of professional backgrounds, relevant to the work of the charity. The Secretary also sits on the Board but has no voting rights. The Supervisory Board is supported by an Executive Board that meets monthly.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the Chief Executive and Finance Director. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Senior Managers who report directly to the Chief Executive, have responsibility for day-to-day operational care of the charity, individual supervision of the staff team and also for ensuring that the teams continue to develop their skills and working standards in line with good practice.

Insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect the directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £1,000,000 on any claim. It is not possible to quantify the directors and officers indemnity element from the overall cost of the commercial insurance policy. The cost of this insurance forms part of the total insurance cost.

Objectives and Activities

The charity's objectives are:

- To relieve poverty, sickness, infirmity, in old age in particular, but not exclusively by means of a provision of accommodation and the provision of advice and counseling.
- The advancement of education, including by (but not limited to) the provision of advice and training and advancing the educational development and care of children especially those under the age of five and advancing the education of those responsible for their day to day care.

Report of the Supervisory Board (continued)

Activities

The principal activities of Turning Lives Around during the year continued to be the provision of supported housing for single homeless people.

Turning Lives Around continues to provide supported housing and floating support services throughout the cities of Leeds and Wakefield, for which demand remains high.

The principal activity of the charity's subsidiary, Business 900 Community Interest Company is the provision of cleaning services. From April 2023 the activities of Business 900 CIC are being transferred to TLA.

During the year no material goods or services were donated to the charity to further its objectives or activities.

The strategies employed to assist the charity to meet its objectives include the following:

- Providing a range of services that are reflective of relevant quality standards and addressing the potential issues related to drug and alcohol misuse.
- Providing a floating support service to men and women at risk of losing their tenancies as a result of drug and alcohol abuse.
- Providing accommodation with support, advice and basic skills training for young people.
- Providing accommodation and support to men and women who display a number of long standing support needs, which prevent them from living safely and independently within the community.

Partner Agencies

Accent Group	Leeds Federated Housing Association
Children in Vulnerable Accommodation (CHIVA)	Leeds Metropolitan University
Connect Housing	Leeds University
Drugs & Offender Management Unit (DOMU)	Leeds Youth Offending Team (YOT)
Huddersfield University	Places for People
Leeds Children's Fund	Sanctuary Housing Association
West Yorkshire Probation Service	Foundation UK
Gipsil	Invest North Ltd
Unity Homes	Touchstone
Leeds City Council	Wakefield City Council

Financial Review and Funding Sources

The year 2022-2023 was noticeably influenced by problems with recruitment and retention that have been experienced nationally affecting many organizations making the year an extremely challenging one.

Most of the services have generated deficits during the year. Each service having different challenges to overcome in such a difficult year. The continued mobilization of a relatively new contract, problems in recruiting and high service charge costs due to the world wide inflation crisis during the year, in particular, influenced the years results.

The future still looks challenging, however, the organization has reviewed certain funding streams and the future looks more promising. The organization will also continue with fundraising activities aimed at the private sector, philanthropic organizations, and individuals.

Report of the Supervisory Board (continued)

The stand-alone Statement of Financial Activities (SOFA) of the main charity made a deficit of £406,335 in the year, the subsidiary Business 900 Community Interest Company made a loss of £33,134. See reserves policy set out below for the impact this has had on the charities reserves.

Principal Funding Sources

Leeds City Council Neighbourhoods and Housing Department
 Leeds City Council Social Services Department
 Wakefield City Council Housing Sustainment Pathway

Capital Funding

Right to Buy Replacement Program Funding

Other Charity Funding

- Henry Smith Charity
- Basis

Achievements and Performance

The Services

The main area of charitable activities continues to be provision of accommodation with support and outreach work for vulnerable homeless people. TLA works across all the geographical locations in Leeds and Wakefield.

TLA provides housing and support services to people struggling to cope with a broad range of issues including mental health, learning difficulties, drug and alcohol abuse, domestic violence, refugees and offending integration. Our aim is to support people in developing the skills, knowledge and confidence necessary to live successfully and safely in their own homes and to engage effectively within their community.

Every year we regularly seek the views of all our stakeholders by means of a questionnaire. The returned questionnaires are analysed and any suggested improvements to our services are addressed. Performance in all contracts has been successful and the charity continues to strive for and safeguard healthy reserves.

Measures or indicators to assess performance include: monthly Management Accounts compared to budgets, cash flow management and forecasts, void performance by service and for the organisation, planned outcomes, client outcomes, complaints and incidents, utilisation levels of properties and staff attendance.

Report of the Supervisory Board (continued)

Safeguarding

TLA continues to place the Safeguarding of adults and children central to all the work we do. We have highly experienced and well trained Senior Managers who lead on Safeguarding issues and all staff regularly receives Safeguarding training.

Future Plans

TLA is investing in the purchase of properties to increase it's own stock. TLA is working towards becoming a Registered Provider of Social Housing. TLA also plans to further its work in related areas and to extend its services further into different regions within Yorkshire. TLA seeks to advance its commitment to a social enterprise and now operates a work-focused initiative to employ and train existing service users. From April 2023 the trading activities of Business 900 CIC are being transferred to TLA.

Fixed assets

Movements in fixed assets are shown in note 14 in the financial statements.

Reserves policy

In line with the Charity Commission guidelines the Members of the Supervisory Board have formulated a reserves policy to ensure that a minimum level of reserves is maintained to ensure that Turning Lives Around can continue to provide a level of service having regard to possible future fluctuations in both income and expenditure.

As set out and explained in note 20, the charity has a number of designated reserves to meet specific expenditure as well as an unrestricted general reserve.

These reserves are set out below;

	2023		2022	
	Charity £	Consol'd £	Charity £	Consol'd £
Restricted Funds (note 19)	312,550	312,550	303,743	303,743
Designated Reserves (note 20)	74,141	74,141	93,818	93,818
General Reserves (note 20)	119,358	119,503	442,409	458,620
Total before pension liability	506,049	506,194	839,970	856,181
Pension Reserve (note 20)	-	-	(498,000)	(498,000)
	506,049	506,194	341,970	358,181

The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

Report of the Supervisory Board (continued)

Risk management

The Supervisory Board has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a forward plan which has allowed and will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charitable Company. These procedures are continually being reviewed to ensure that they still meet the needs of the Charity and also to identify new areas in which the Charity could contribute to the disadvantaged of the city.

Statement of the responsibilities of the members of the Supervisory Board

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Report of the Supervisory Board (continued)**Statement as to disclosure of information to auditors**

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution proposing that Brown Butler Chartered Accountants be reappointed as auditors of the charity will be put to the Annual General Meeting.

Public benefit

The Supervisory Board have had regard to the Charity Commission's guidance on public benefit and confirm that this guidance forms the basis of planning decisions at both strategic and operational levels.

The report of the members of the Supervisory Board was approved on 7th November 2023 and signed on their behalf by:



Mr. A D Marriott BA FCCA
Secretary

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Opinion

We have audited the financial statements of Turning Lives Around Ltd (the "charitable parent company") and its subsidiaries (the "group") for the year ended 31 March 2023, which comprise the Consolidated and Company Statement of Financial Activities, the Consolidated and Company Balance Sheets, 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 charitable parent company's affairs as at 31 March 2023 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;
- have been properly prepared in accordance with the Charities SORP FRS102 (October 2019) and the Charities Act 2011.

Basis of 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 and charitable parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charitable parent 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 Turning Lives Around Ltd

Continued from previous page

Other information

The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's 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.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purpose 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 group's and charitable parent 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 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 auditor under the Companies Act 2006 and report in accordance with this Act.

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.

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

Capability of the audit in detecting irregularities, including fraud

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 key laws and regulations we have considered in this context included the Companies Act 2006, the Charities Act 2011, pension and tax legislation together with the Charities SORP FRS102 (October 2019). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's and charitable parent company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the trustees and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the group's and charitable parent company's regulatory and legal correspondence and discussed with the trustees and other management any known or suspected instances of fraud or non-compliance with laws and regulations.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Capability of the audit in detecting irregularities, including fraud - continued

- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries and we performed analytical procedures to identify any unusual or unexpected relationships. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements. We also discussed related party relationships and transactions involving them.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

Use of our report

This report is made solely to the charitable parent 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 parent 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 parent company and the charitable parent company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Brown Butler

Nicola Taylor (Senior Statutory Auditor)
 For and on behalf of Brown Butler
 Chartered Accountants and Statutory Auditor
 Leigh House
 28-32 St Paul's Street
 Leeds
 LS1 2JT

17 November 2023

Charity only Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2023

	Notes	Unrestricted			TOTAL 2023	TOTAL 2022
		General Funds	Designated Funds	Restricted Funds		
		£	£	£	£	£
INCOME FROM :						
Donations and legacies	3	89,942	24,392		114,334	96,467
Charitable activities:						
Contract funding	4	2,694,613		70,601	2,765,214	2,651,414
Income from rent	4	3,743,931			3,743,931	3,452,420
Investments	6	5			5	3
Total		6,528,491	24,392	70,601	6,623,484	6,200,305
EXPENDITURE ON :						
Raising funds	7	36,590			36,590	28,032
Charitable activities:						
Support Services	7	3,103,203	26,991	7,965	3,138,159	2,903,939
Housing Management	7	3,837,992	17,078		3,855,070	3,408,099
Other Charitable Services	7	-			-	-
Total		6,977,785	44,069	7,965	7,029,819	6,340,070
Net (Expenditure) / Income		(449,294)	(19,677)	62,636	(406,335)	(139,765)
Gross transfer between funds		53,829	-	(53,829)	-	-
Net (Expenditure) / Income		(395,465)	(19,677)	8,807	(406,335)	(139,765)
Other recognised gains & losses						
Gains on revaluation of assets		16,482			16,482	39,050
Actuarial gains on defined benefit pension scheme		571,000			571,000	401,000
Exceptional Item						
Impairment Business 900		(17,068)			(17,068)	-
Net movement in Funds		174,949	(19,677)	8,807	164,079	300,285
Reconciliation of funds						
Funds at 1 April 2022		(55,591)	93,818	303,743	341,970	41,685
Funds at 31 March 2023		119,358	74,141	312,550	506,049	341,970

All the charitable company's activities derive from continuing operations during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Consolidated Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2023

	Notes	Unrestricted			TOTAL 2023	TOTAL 2022
		General Funds	Designated Funds	Restricted Funds		
		£	£	£		
INCOME FROM :						
Donations and legacies	3	89,942	24,392		114,334	
Charitable activities:						
Contract funding	4	2,694,613		70,601	2,765,214	
Income from rent	4	3,743,931			3,743,931	
Other trading activities	5	34,791			34,791	
Investments	6	5			5	
Total		6,563,282	24,392	70,601	6,658,275	
EXPENDITURE ON :						
Raising funds	7	184,953			184,953	
Charitable activities:						
Support Services	7	3,103,203	26,991	7,965	3,138,159	
Housing Management	7	3,757,554	17,078		3,774,632	
Other Charitable Services	7	-			-	
Other costs						
Corporation tax	7, 10	-			-	
Total		7,045,710	44,069	7,965	7,097,744	
Net (Expenditure) / Income		(482,428)	(19,677)	62,636	(439,469)	
Gross transfer between funds		53,829	-	(53,829)	-	
Net (Expenditure) / Income		(428,599)	(19,677)	8,807	(439,469)	
Other recognised gains & losses						
Gains on revaluation of assets		16,482			16,482	
Actuarial gains on defined benefit pension scheme		571,000			571,000	
Net movement in Funds		158,883	(19,677)	8,807	148,013	
Reconciliation of funds						
Funds at 1 April 2022		(39,380)	93,818	303,743	358,181	
Funds at 31 March 2023		119,503	74,141	312,550	506,194	

All the charitable company's activities derive from continuing operations during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Charity only Balance sheet as at 31 March 2023

	Note	2023	2022
		£	£
FIXED ASSETS			
Intangible assets	13	-	2,433
Tangible assets	14	1,026,995	826,852
Investments	15	-	-
		<u>1,026,995</u>	<u>829,285</u>
CURRENT ASSETS			
Debtors	16	553,201	583,334
Cash at bank and in hand		<u>65,358</u>	<u>242,422</u>
		618,559	825,756
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	17	<u>891,192</u>	<u>673,194</u>
		891,192	673,194
NET CURRENT (LIABILITIES)/ASSETS		<u>(272,633)</u>	<u>152,562</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		754,362	981,847
Creditors – amounts falling due after one year	18	248,314	141,877
NET ASSETS excluding pension liability		<u>506,049</u>	<u>839,970</u>
Defined pension scheme liability	27	-	498,000
NET ASSETS incl pension liability		<u>506,049</u>	<u>341,970</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	19	312,550	303,743
Unrestricted Funds	20	193,499	536,227
Pension Reserve	20	-	(498,000)
Total Funds		<u>506,049</u>	<u>341,970</u>

These financial statements were approved and authorised for issue by the Supervisory Board on 7th November 2023 and signed on its behalf by :-

Martin Ford



The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Consolidated Balance sheet as at 31 March 2023

	Note	2023	2022
		£	£
FIXED ASSETS			
Intangible assets	13	-	2,433
Tangible assets	14	<u>1,033,388</u>	<u>838,843</u>
		1,033,388	841,276
CURRENT ASSETS			
Debtors	16	552,986	579,222
Cash at bank and in hand		<u>73,227</u>	<u>272,750</u>
		626,213	851,972
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	17	<u>901,392</u>	<u>686,678</u>
		901,392	686,678
NET CURRENT (LIABILITES)/ASSETS		<u>(275,179)</u>	<u>165,294</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		758,209	1,006,570
Creditors – amounts falling due after one year	18	252,016	150,389
NET ASSETS excluding pension liability		<u>506,194</u>	<u>856,181</u>
Defined pension scheme liability	27	-	498,000
NET ASSETS incl pension liability		<u>506,194</u>	<u>358,181</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	19	312,550	303,743
Unrestricted Funds	20	193,644	552,438
Pension Reserve	20	-	(498,000)
Total Funds		<u>506,194</u>	<u>358,181</u>

These financial statements were approved and authorised for issue by the Supervisory Board on 7th November 2023 and signed on its behalf by :-

Martin Ford



The notes on pages 20 to 44 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 March 2023

	Note	2023	2022
		£	£
Net cash flow from operating activities	25	(56,005)	69,791
Corporation tax		-	(2,118)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(94,547)	(79,569)
Interest received		<u>5</u>	<u>3</u>
Net cash flow from investing activities		<u>(94,542)</u>	<u>(79,566)</u>
Cash flow from financing activities		(150,547)	(11,893)
Loan repayments		(12,078)	(10,569)
Finance lease repayments		(16,326)	(16,239)
Hire purchase repayments		(4,810)	(5,245)
Interest paid		<u>(15,762)</u>	<u>(10,645)</u>
Net cash flow from financing activities		<u>(48,976)</u>	<u>(42,698)</u>
Net reduction in cash		(199,523)	(54,591)
Cash at 1 April 2022		<u>272,750</u>	<u>327,341</u>
Cash at 31 March 2023		<u>73,227</u>	<u>272,750</u>

The notes on pages 20 to 44 form part of these financial statements.

Notes to financial statements for the year ended 31 March 2023.

1. General information

Turning Lives Around is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

The charity is incorporated in England & Wales, is registered as a charity with the Charity Commissioners and is also a public benefit entity as defined by Financial Reporting Standard 102 the "Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

Its registered office and principal place of business is:-

4 Ashbrooke Business Park
Parkside Lane
Leeds
LS11 5SF

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102 (2022), the 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) (SORP (FRS 102) issued October 2019) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Funds

Unrestricted funds 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Note 2 is continued on page 21

2.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and these require a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably, and the charity has control over the item. Fair value is determined based on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Grants received for the acquisition of fixed assets are accounted for as restricted funds. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned. Other grants are treated as income and, where applicable, they are accounted for as restricted funds. Where the grant covers future accounting periods, the amount relating to future periods is deferred and recognised in the correct period.

2.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

2.5 Support costs allocation

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 7.

Notes to financial statements for the year ended 31 March 2023.

2.6 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of amortisation are as follows:-

Asset class	Amortisation method and rate
Website	20% straight line basis

2.7 Tangible fixed assets

Freehold property and leasehold property are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Other than freehold and leasehold properties, depreciation is provided on tangible fixed assets on a straight line basis, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

Leasehold improvements	- 5 years
Motor Vehicles	- 4 years
Furniture and equipment	- 2-10 years

2.8 Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the SoFA. The reversal of an impairment loss is recognised immediately in the SoFA.

2.9 Investments

Investments in subsidiaries are measured at cost less impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Notes to financial statements for the year ended 31 March 2023.

2.12 Leases

Fixed assets acquired under finance lease and hire purchase contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest attributable to each period is charged to the SOFA.

Operating lease rentals are charged to the SOFA as incurred.

2.13 Pensions

The charity operates a defined benefit pension scheme with the Local Government Pension Scheme (LGPS) and a defined contribution pension scheme. The assets of both schemes are held in separate trustee administered funds and those in the LGPS are subject to actuarial valuation.

The assets and liabilities of the LGPS are measured using the roll forward approach. This approach is a method of approximately calculating pension scheme assets and liabilities by making adjustments to the results of the last full actuarial valuation exercise. The last full actuarial valuation was performed at 31 March 2022. The amounts charged to the SoFA are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the SoFA and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The pension costs charged to the SoFA regarding the defined contribution scheme are the premiums payable in respect of the accounting period.

2.14 Taxation

The charity considers that it meets the definition of a charitable company for UK corporation tax purposes and is accordingly potentially exempt from tax in respect of its income and gains.

2.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for a minimum of 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Notes to financial statements for the year ended 31 March 2023.

2.16 Critical accounting estimates and assumption

The charity makes estimates and assumptions concerning the future and the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The main area of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to the estimates used in valuing the Local Government Pension Scheme (LGPS) and the properties held at fair value.

The present value of the LGPS defined benefit asset/liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension asset/liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions assets and liabilities at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

The carrying amount of the properties held at fair value are disclosed in note 14.

3 Donations and legacies Charity and Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2023	2022
	£	£	£	£	£
Donations	-	4,237	-	4,237	6,698
Other grants	89,942	19,028	-	108,970	88,977
Sundry income	-	1,127	-	1,127	792
	89,942	24,392	-	114,334	96,467

Income from donations and legacies in the year ended 31 March 2022 was £96,467 of which £69,931 was attributable to general funds and £26,536 attributable to designated funds.

Notes to financial statements for the year ended 31 March 2023.

4 Charitable activities Charity and Consolidated

Contract funding	Unrestricted			Total 2023 £	Total 2022 £
	General £	Designated £	Restricted £		
Leeds City Council Neighborhood's and Housing Strategy & Commissioning Wakefield City Council Housing Sustainment Pathway	2,170,763	-	-	2,170,763	2,143,374
Other grants	495,400	-	70,601	495,400	482,906
	28,450	-	-	99,051	25,134
	2,694,613	-	70,601	2,765,214	2,651,414

Income from contract funding in the year ended 31 March 2022 was £2,651,414 all of which was attributable to general funds.

Income from rent

Turning Lives Around provides accommodation for single homeless people. For the majority of residents their only financial support is state benefit. Turning Lives Around charges rents to its residents. The rate at which rent is charged is regulated by the housing associations that it works in partnership with.

	Unrestricted			Total 2023 £	Total 2022 £
	General £	Designated £	Restricted £		
Rent receivable	4,266,058	-	-	4,266,058	3,902,959
Voids	(430,812)	-	-	(430,812)	(409,343)
Bad debts written-off	(91,314)	-	-	(91,314)	(41,196)
	3,743,931	-	-	3,743,931	3,452,420

Income from rent in the year ended 31 March 2022 was £3,452,420 all of which was attributable to general funds.

5 Other trading activities Consolidated

	Unrestricted			Total 2023 £	Total 2022 £
	General £	Designated £	Restricted £		
Cleaning services	34,791	-	-	34,791	50,536
Grant income	-	-	-	-	-
	34,791	-	-	34,791	50,536

Other trading activities in the year ended 31 March 2022 was £50,536 all of which was attributable to general funds.

Notes to financial statements for the year ended 31 March 2023.

6 Income from investments
Charity only

	Unrestricted			Total 2023 £	Total 2022 £
	General £	Designated £	Restricted £		
Bank interest received	5	-	-	5	3
	5	-	-	5	3

Income from investments in the year ended 31 March 2022 was £3 all of which was attributable to general funds.

7 Expenditure on
Charity only

	Unrestricted			Total 2023 £	Total 2022 £
	General £	Designated £	Restricted £		
Raising funds					
<i>Costs re investment properties</i>	-	-	-	-	5,083
<i>Fund raising activities</i>	36,590	-	-	36,590	22,949
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	3,103,203	26,991	7,965	3,138,159	2,903,939
<i>Housing Management</i>	3,837,992	17,078	-	3,855,070	3,408,099
Other Charitable Activities	-	-	-	-	-
	6,977,785	44,069	7,965	7,029,819	6,340,070

Expenditure for the year ended 31 March 2022 was £6,340,070 of which £6,304,500 was attributable to general funds, £35,570 was attributable to designated reserves.

Governance Costs included within support costs

	2023	2022
	£	£
Audit and accountancy fees	13,980	10,458
Legal and professional fees	23,081	11,863
Annual general meeting costs	1,010	-
	38,071	22,321

Note 7 is continued on page 27

CHARITY ONLY

NOTES ON THE ACCOUNTS - 31 MARCH 2023

7 EXPENDITURE ON :

BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS				OTHER CHARITABLE ACTIVITIES				FUND RAISING ACTIVITIES				TOTAL 2023	TOTAL 2022
	SUPPORT SERVICES	HOUSING MANAGEMENT	RESTRICTED FUNDS	WATOTO	COMMUNITY INTEREST BROKERAGE	TOTAL	INVESTMENTS	FUND RAISING	TOTAL	2023	2022			
	£	£	£	£	£	£	£	£	£	£	£			
Costs directly allocated to activities														
Staff costs	2,184,851	1,001,245		0	0	0		34,555	34,555	3,220,651	3,093,607			
Agency staff	395,914									395,914	251,632			
Recruitment	22,755	2,503								25,258	35,035			
Premises	1,560	1,434,317								1,435,877	1,283,011			
Insurance	8,811	44,441								53,252	48,926			
Maintenance	3,813	337,763					0	0	0	341,576	261,597			
Furniture & renewals		296,779					0	0	0	296,779	256,379			
Heat and light	3,880	125,190					0	0	0	129,070	103,097			
Travel	55,779	1,205		0	0	0	0	0	0	56,984	72,715			
Printing, Postage & Stationery	16,590	5,284					0	0	0	21,874	22,835			
Communications	39,572	4,895		0	0	0	0	0	0	44,467	40,817			
Cleaning	34,315	185,035					0	0	0	219,350	156,720			
Training & conferences	17,082	9,423								26,505	23,694			
Translation & Interpretation	1,829									1,829	1,926			
Loan interest		11,685					0	0	0	11,685	6,811			
Service users' welfare	33,567	59,973			0	0	0	0	0	93,540	78,940			
Finance lease interest		2,710								2,710	2,710			
Finance cost re LGPS Pension	14,000									14,000	17,000			
	2,834,318	3,522,448	0	0	0	0	0	34,555	34,555	6,391,321	5,757,452			
Support costs allocated to activities														
Office and finance staff costs	154,868	161,909						2,035	2,035	318,812	308,664			
Agency staff	6,416	6,707								13,123	5,652			
Books & publications	251	262								513	309			
Subscriptions	2,039	2,131								4,170	3,067			
Legal & professional	11,284	11,797								23,081	11,863			
Operating lease rentals	23,671	24,748								48,419	47,585			
Office equipment	0	0								0	233			
Computer costs	42,526	44,460								86,986	69,704			
Depreciation	5,624	36,230								49,819	49,835			
Consultancy	34,278	17,982					0	0	0	52,260	58,215			
Audit and accountancy fees	6,835	7,145								13,980	10,458			
Bank charges	1,944	2,228								4,172	479			
Publicity	543	568								1,111	3,230			
Annual general meeting	494	516								1,010	0			
Refreshments	1,184	1,237								2,421	1,528			
Other costs	3,919	14,702								18,621	11,796			
	295,876	332,622	7,965	0	0	0	0	2,035	2,035	638,498	582,618			
	3,130,194	3,855,070	7,965	0	0	0	0	36,590	36,590	7,029,819	6,340,070			

Notes to financial statements for the year ended 31 March 2023.

7 Expenditure on, continued from page 27
Consolidated

	Unrestricted		Restricted £	Total 2023 £	Total 2022 £
	General £	Designated £			
Raising funds					
<i>Trading costs</i>	148,363	-	-	148,363	134,162
<i>Fund raising activities</i>	36,590	-	-	36,590	22,949
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	3,103,203	26,991	7,965	3,138,159	2,903,939
<i>Housing Management</i>	3,757,554	17,078	-	3,774,632	3,335,804
Other Charitable Activities	-	-	-	-	-
	<u>7,045,710</u>	<u>44,069</u>	<u>7,965</u>	<u>7,097,744</u>	<u>6,396,854</u>
Other costs					
<i>Corporation Tax</i>	-	-	-	-	(1)
	<u>7,045,710</u>	<u>44,069</u>	<u>7,965</u>	<u>7,097,744</u>	<u>6,396,853</u>

Expenditure for the year ended 31 March 2022 was £6,396,853 of which £6,361,283 was attributable to general funds, £35,570 was attributable to designated reserves.

Consolidated governance Costs included within support costs

	2023 £	2022 £
Audit and accountancy fees	18,008	13,492
Legal and professional fees	23,081	11,863
Annual general meeting costs	1,010	-
	<u>42,099</u>	<u>25,355</u>

Note 7 is continued on page 29

CONSOLIDATED

NOTES ON THE ACCOUNTS - 31 MARCH 2023

7 EXPENDITURE ON :

	BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS				OTHER CHARITABLE ACTIVITIES				FUND RAISING ACTIVITIES				TOTAL 2023	TOTAL 2022	
		SUPPORT SERVICES		HOUSING MANAGEMENT	RESTRICTED FUNDS	WATOTO	COMMUNITY INTEREST BROKERAGE	TRADING COSTS	FUND RAISING	TOTAL	SUPPORT SERVICES		HOUSING MANAGEMENT	RESTRICTED FUNDS	TOTAL	TOTAL
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Costs directly allocated to activities																
Staff costs	Direct	2,191,267	1,001,245					94,706	34,555	129,261				3,321,773	3,174,874	
Agency staff	Direct	389,498						0		0				389,498	248,669	
Recruitment	Direct	22,755	2,503											25,258	35,035	
Premises	Direct	1,560	1,434,317											1,435,877	1,283,011	
Insurance	Direct	8,811	44,441					2,361		2,361				55,613	51,709	
Maintenance	Direct	3,813	316,311					0		0				320,124	239,721	
Furniture & renewals	Direct		296,779					0		0				296,779	256,379	
Heat and light	Direct	3,880	125,190					0		0				129,070	103,097	
Travel	Direct	55,779	1,205					11,237		11,237				68,221	82,994	
Printing, Postage & Stationery	Direct	16,590	5,284					28		28				21,902	22,835	
Communications	Direct	39,572	4,895					120		120				44,587	40,937	
Cleaning	Direct	34,315	126,049					0		0				160,364	106,815	
Training & conferences	Direct	17,082	9,423					0		0				26,505	23,694	
Translation & Interpretation	Direct	1,829						0		0				1,829	1,926	
Loan interest	Direct		11,685					0		0				11,685	6,811	
Service users' welfare	Direct	33,567	59,973					11,225		11,225				104,765	89,086	
Finance lease interest	Direct		2,710					1,367		1,367				4,077	3,834	
Finance cost re LGPS Pension	Direct	14,000												14,000	17,000	
		2,834,318	3,442,010	0	0	0	0	121,044	34,555	155,599				6,431,927	5,788,427	
Support costs allocated to activities																
Office and finance staff costs	Pro-rata	154,868	161,909					15,608	2,035	17,643				334,420	325,444	
Agency staff	Pro-rata	6,416	6,707											13,123	5,652	
Books & publications	Pro-rata	251	262											513	309	
Subscriptions	Pro-rata	2,039	2,131					0		0				4,170	3,067	
Legal & professional	Pro-rata	11,284	11,797					0		0				23,081	11,863	
Operating lease rentals	Pro-rata	23,671	24,748											48,419	47,585	
Office equipment	Pro-rata	0	0											0	233	
Computer costs	Pro-rata	42,526	44,460					198		198				87,184	69,872	
Depreciation	Usage	5,624	36,230	7,965				5,598		5,598				55,417	54,693	
Consultancy	Pro-rata	34,278	17,982											52,260	58,215	
Audit and accountancy fees	Pro-rata	6,835	7,145					4,028		4,028				18,008	13,492	
Bank charges	Pro-rata	1,944	2,228											4,172	479	
Publicity	Pro-rata	543	568											1,111	3,230	
Annual general meeting	Pro-rata	494	516											1,010	0	
Refreshments	Pro-rata	1,184	1,237											2,421	1,528	
Other costs	Pro-rata	3,919	14,702					1,887		1,887				20,508	12,764	
		295,876	332,622	7,965	0	0	0	27,319	2,035	29,354				665,817	608,426	
		3,130,194	3,774,632	7,965	0	0	0	148,363	36,590	184,953				7,097,744	6,396,853	

Notes to financial statements for the year ended 31 March 2023.

8 Net incoming/(outgoing) resources for the year

	2023		2022	
	Charity £	Consol'd £	Charity £	Consol'd £
Depreciation	47,386	52,984	47,400	52,259
Amortisation	2,433	2,433	2,432	2,432
Operating lease charges	48,419	48,419	47,585	47,585
Interest on loans	11,685	11,685	6,811	6,811
Interest on finance leases	2,710	2,710	2,710	2,710
Interest on hire purchase	-	1,367	-	1,124
Finance costs on LGPS Pension	14,000	14,000	17,000	17,000

9 Auditor's remuneration

	2023 £	2022 £
Audit fee in respect of the financial statements	12,825	11,150
Other fees payable to auditor :		
Audit of the charity's subsidiaries	3,490	3,140
Tax compliance services	180	180
Non audit services	3,475	3,375
	7,145	6,695

10 Tax on net income
Consolidated

	2023 £	2022 £
Current Taxation		
UK Corporation Tax	-	-
Adjustment to prior year	-	(1)
	-	(1)
Deferred taxation		
Origination and reversal of timing differences	-	-
Tax on net income	-	(1)

The tax charge for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

The differences are reconciled below:

	2023 £	2022 £
Net income before tax	(439,469)	(146,012)
Corporation tax at standard rate	(83,499)	(27,742)
Effects of net expenditure/(income) exempt from taxation	89,795	29,026
	(904)	1,386
Effect of taxation losses	(5,392)	(2,670)
Adjustment to prior year	-	(1)
Total tax charge	-	(1)

Notes to financial statements for the year ended 31 March 2023.

11 Material transfers between funds

There was a £53,829 transfer from Restricted Funds reflecting fund utilization within General Funds.

12 Staff costs and numbers

	2023		2022	
	Charity £	Consol'd £	Charity £	Consol'd £
Salaries and wages	3,123,002	3,222,882	2,997,689	3,084,979
Social Security costs	279,400	287,024	257,178	262,766
Pension contributions :-				
Contributions to defined contribution scheme	83,369	86,179	83,105	85,311
Operating costs re defined benefit scheme	59,000	59,000	74,000	74,000
	3,544,771	3,655,085	3,411,972	3,507,056

The above figures include £28,000 made in respect of redundancy and termination payments. (2022: £0)

	2023 £	2022 £
Employees paid between £60,001 and £70,000	-	1

No remuneration was paid during the year to any member of the Supervisory Board, nor were there any expenses reimbursed to them. There was a change of CEO during the year due to retirement.

In addition, during the year, M White charged the charitable company £11,050 (2022: £10,000) in respect of consultancy fees.

The average weekly number of employees during the year, analysed by function, was:

Number of employees	2023		2022	
	Charity	Consol'd	Charity	Consol'd
Support Services & Housing Management	118	118	114	114
Other Charitable Services	-	6	-	7
Support costs	11	11	11	11
	129	135	125	132

Notes to financial statements for the year ended 31 March 2023.

13 Intangible fixed assets

Parent & Consolidated

	Website	Total
	£	£
Cost		
At 31 March 2022	12,162	12,162
At 31 March 2023	12,162	12,162
Amortisation		
At 31 March 2022	9,729	9,729
Charge for the year	2,433	2,433
At 31 March 2023	12,162	12,162
Net Book Value		
At 31 March 2022	2,433	2,433
At 31 March 2023	-	-

The amortization charge for the year is included within the SoFA heading of expenditure on charitable activities.

The intangible fixed assets have been pledged as security for liabilities of the charity.

14 Tangible fixed assets

Parent only

	Freehold	Leasehold	Leasehold	Furniture	Total
	Properties	Property	Improvements	&	
	£	£	£	Equipment	£
Cost / valuation					
At 1 April 2022	490,000	170,000	10,977	510,972	1,181,949
Additions during year	223,518			7,529	231,047
Disposals during year					-
Revaluation	16,482				16,482
At 31 March 2023	730,000	170,000	10,977	518,501	1,429,478
Depreciation					
At 1 April 2022	-	-	10,977	344,120	355,097
Charge for year				47,386	47,386
Relating to disposals					-
At 31 March 2023	-	-	10,977	391,506	402,483
Net Book Value					
At 1 April 2022	490,000	170,000	-	166,852	826,852
At 31 March 2023	730,000	170,000	-	126,995	1,026,995

The tangible fixed assets have been pledged as security for liabilities of the charity.

The freehold properties and the leasehold property were revalued on 31 March 2023 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method.

14 Tangible fixed assets, continued from page 32

The historical cost of the properties included at valuation is as follows:-

	Freehold properties £	Leasehold Property £	Total £
Cost	676,972	194,041	871,013
Accumulated depreciation	12,094	10,350	22,444
	<u>664,878</u>	<u>183,691</u>	<u>848,569</u>

Consolidated

	Freehold Properties £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Cost / valuation						
At 1 April 2022	490,000	170,000	10,977	21,600	511,778	1,204,355
Additions during year	223,518				7,529	231,047
Disposals during year						-
Revaluation	16,482					16,482
At 31 March 2023	<u>730,000</u>	<u>170,000</u>	<u>10,977</u>	<u>21,600</u>	<u>519,307</u>	<u>1,451,884</u>
Depreciation						
At 1 April 2022	-	-	10,977	9,842	344,693	365,512
Charge for year				5,400	47,584	52,984
Relating to disposals						-
Impairment						-
At 31 March 2023	<u>-</u>	<u>-</u>	<u>10,977</u>	<u>15,242</u>	<u>392,277</u>	<u>418,496</u>
Net Book Value						
At 1 April 2022	<u>490,000</u>	<u>170,000</u>	<u>-</u>	<u>11,758</u>	<u>167,085</u>	<u>838,843</u>
At 31 March 2023	<u>490,000</u>	<u>170,000</u>	<u>-</u>	<u>6,358</u>	<u>127,030</u>	<u>1,033,388</u>

The tangible fixed assets have been pledged as security for liabilities of the charity.

Note 14 is continued on page 34

Notes to financial statements for the year ended 31 March 2023.

14 Tangible fixed assets, continued from page 33

The freehold properties and leasehold property were valued on 31 March 2023 by an independent valuer, Bramley's LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the properties included at valuation is as follows;

	Freehold property £	Leasehold Property £	Total £
Cost	676,972	194,041	871,013
Accumulated depreciation	12,094	10,350	22,444
	<u>664,878</u>	<u>183,691</u>	<u>848,569</u>

**15 Investments held as fixed assets
Charity only**

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2022	-	-
Transfers	-	-
Revaluation	-	-
Additions	-	-
At 31 March 2023	<u>-</u>	<u>-</u>
Net book value		
At 1 April 2022	-	-
At 31 March 2023	<u>-</u>	<u>-</u>

Note 15 is continued on page 35

Notes to financial statements for the year ended 31 March 2023.

**15 Investments held as fixed assets, continued from page 34
Charity only**

Details of undertakings

In the opinion of the trustees, the aggregate value of the company's investment in the subsidiary undertaking is not less than the amount included in the balance sheet

Undertaking	Business 900 Community Interest Company
Company number	06913644
Holding	-
Proportion of voting rights and shares held	100%
Principle activity	Cleaning services
Aggregate assets, liabilities and funds	(16,923)
Trading summary:	
- Turnover	115,229
- Expenditure	148,363
- (Loss)/profit	(33,134)

The undertaking has the following registered office address :-

4 Ashbrooke Business Park
Parkside Lane
Leeds
West Yorkshire
LS11 5SF

16 Debtors

	2023		2022	
	Charity £	Consol'd	Charity	Consol'd £
Due within one year:				
Net rents in arrears	344,853	344,853	330,033	330,033
Amounts owed by group undertaking	29,632	-	35,767	-
Other debtors	37,022	63,602	44,907	74,127
Prepaid expenses	141,694	144,531	172,627	175,062
	553,201	552,986	583,334	579,222

The debtor balances of £553,201 (Charity) (2022: £583,334) have been pledged as security for liabilities of the charity.

Notes to financial statements for the year ended 31 March 2023.

17 Creditors

	2023		2022	
	Charity £	Consol'd £	Charity £	Consol'd £
Amounts falling due within one year:				
Bank loans	13,981	13,981	10,730	10,730
Obligations under finance leases	14,734	14,734	16,320	16,320
Hire purchase creditors	-	4,810	-	4,810
Amounts owed to group undertaking	16,010	-	2,842	-
Trade creditors	407,964	412,639	260,942	262,533
Other creditors	161,652	164,432	101,808	106,447
Social security and other taxes	64,238	74,419	63,111	65,193
Accruals and deferred income	212,613	216,377	217,441	220,645
	891,192	901,392	673,194	686,678

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £29,376.

The hire purchase is secured by the hire purchase company's title to the assets financed, which have a carrying value of £6,358.

18 Creditors - Amounts falling due after one year:

	2023		2022	
	Charity £	Consol'd £	Charity £	Consol'd £
Bank loans	248,314	248,314	127,143	127,143
Finance loan creditors	-	-	14,734	14,734
Hire purchase creditors	-	3,702	-	8,512
	248,314	252,016	141,877	150,389

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £29,376.

The hire purchase is secured by the hire purchase company's title to the assets financed, which have a carrying value of £6,358.

The bank loans include £203,515 (2022: £91,330) which fall due after five years and are repayable by instalments.

Notes to financial statements for the year ended 31 March 2023.

19 Restricted funds

Charity and consolidated

	Balance 01.04.2022	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2023
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	(3,500)	-
(iii) Sahara Women Without Recourse Fund	11,118	-	-	(11,118)	-
(iv) Sinclair DAT Fund	29,120	-	-	(29,120)	-
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	57,237	70,601	-	-	127,838
(viii) Computer/IT Fund	41,950	-	(7,965)	(10,091)	23,894
	303,743	70,601	(7,965)	(53,829)	312,550
	Balance 01.04.2021	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2022
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	57,237	-	-	-	57,237
(viii) Computer/IT Fund	41,950	-	-	-	41,950
	303,743	-	-	-	303,743

- (i) The **Dewsbury Road Day Centre Fund** is created to account for capital grants received from the Community Fund and Leeds City Council, in connection with the construction and equipping of the new Day Centre premises.
- (ii) The **Sahara Nationality Fund** is to provide funding for the assistance of women with problems relating to their nationality and immigration status.
- (iii) The **Sahara Women Without Recourse Fund** is used to assist women without recourse to any state benefits and/ or those women whose applications for state benefits are still pending.
- (iv) The **Sinclair DAT Fund** relates to a grant received from 'Drugs Action Team' to pay towards the cost of setting up new offices for the Sinclair scheme.
- (v) The **LCC Refurbishment Fund** has been set up to provide funds for the refurbishment and setting up of properties to be acquired from Leeds City Council.
- (vi) The **Tempest Road Development Fund** is created to account for a donation received from Harrogate Grammar School to assist in the refurbishment of 12 Tempest Road.
- (vii) The **Right to Buy Fund** is created to account for grants received to assist with the purchase of new social housing projects.
- (viii) The **Computer / IT Fund** is created to account for funding received from the Lottery and BT to assist with IT upgrades.

Notes to financial statements for the year ended 31 March 2023.

20 Unrestricted Funds
Charity only

	Balance 01.04.2022	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2023
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	54,666	24,392	(26,991)	-	-	52,067
(f) Registered Provider Application Fund	34,900	-	(17,078)	-	-	17,822
	93,818	24,392	(44,069)	-	-	74,141
General Funds	442,409	6,528,491	(6,904,785)	(586)	53,829	119,358
Revaluation reserve	-	-	-	-	-	-
	536,227	6,552,883	(6,948,854)	(586)	53,829	193,499
Pension reserve	(498,000)	-	(73,000)	571,000	-	-
	38,227	6,552,883	(7,021,854)	570,414	53,829	193,499
	Balance 01.04.2021	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2022
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,407	-	(335)	-	-	3,072
(e) Scheme Funding	48,265	26,536	(20,135)	-	-	54,666
(f) Registered Provider Application Fund	-	-	(15,100)	-	50,000	34,900
	52,852	26,536	(35,570)	-	50,000	93,818
General Funds	493,090	6,173,769	(6,213,500)	39,050	(50,000)	442,409
Revaluation reserve	-	-	-	-	-	-
	545,942	6,200,305	(6,249,070)	39,050	-	536,227
Pension reserve	(808,000)	-	(91,000)	401,000	-	(498,000)
	(262,058)	6,200,305	(6,340,070)	440,050	-	38,227

Unrestricted Funds
Consolidated

	Balance 01.04.2022	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2023
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,072	-	-	-	-	3,072
(e) Scheme Funding	54,666	24,392	(26,991)	-	-	52,067
(f) Registered Provider Application Fund	34,900	-	(17,078)	-	-	17,822
	93,818	24,392	(44,069)	-	-	74,141
General Funds	458,620	6,563,282	(6,972,710)	16,482	53,829	119,503
	552,438	6,587,674	(7,016,779)	16,482	53,829	193,644
Pension reserve	(498,000)	-	(73,000)	571,000	-	-
	54,438	6,587,674	(7,089,779)	587,482	53,829	193,644

Note 20 is continued on page 39

Notes to financial statements for the year ended 31 March 2023.

20 Unrestricted funds, continued from page 38

	Balance 01.04.2021	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2022
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,407	-	(335)	-	-	3,072
(e) Scheme Funding	48,265	26,536	(20,135)	-	-	54,666
(f) Registered Provider Application Fund	-	-	(15,100)	-	50,000	34,900
	52,852	26,536	(35,570)	-	50,000	93,818
General Funds	515,548	6,224,305	(6,270,283)	39,050	(50,000)	458,620
	568,400	6,250,841	(6,305,853)	39,050	-	552,438
Pension reserve	(808,000)	-	(91,000)	401,000	-	(498,000)
	(239,600)	6,250,841	(6,396,853)	440,050	-	54,438

- (a) **General Maintenance Fund** is designated to provide for the cost of property and cyclical maintenance, for which the company may be liable under management agreements with third parties.
- (b) **Furniture/Renewals Fund** is designated to cover the cost of essential refurbishment of properties including a general furniture provision.
- (c) **Redundancy Fund** is designated to provide towards redundancy costs in the event of a staff restructure or reduction in staffing numbers.
- (d) **Welfare Fund** is designated to cover exceptional payments, made within the established policy of the company, to residents who are in financial difficulty.
- (e) **Scheme Funding** the net funds of schemes that are designated to be utilised by those schemes whose efforts raised those funds.
- (f) **Registered Provider Application Fund** is designed to cover the cost of assistance in the application for the company to achieve Registered Provider of Social Housing status.

Pension Reserve

The WYPF scheme is presently reporting a surplus, however, as recognition of the asset is governed by FRS102 and due to the uncertainty of gaining any economic benefit the trustees have concluded to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

21 Analysis of net assets between funds excluding pension liability
Charity only

	General Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Fixed assets	856,995	170,000	1,026,995	829,285
Current assets	476,009	142,550	618,559	825,756
Creditors, falling due within one year	(891,192)		(891,192)	(673,194)
Creditors, falling due more than one year	(248,314)		(248,314)	(141,877)
Net Assets	193,499	312,550	506,049	839,970

Note 21 is continued on page 40

Notes to financial statements for the year ended 31 March 2023.

21 Analysis of net assets between funds excluding pension liability, continued from page 39

Consolidated

	General Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Fixed assets	863,388	170,000	1,033,388	841,276
Current assets	483,663	142,550	626,213	851,972
Creditors, falling due within one year	(901,392)		(901,392)	(686,678)
Creditors, falling due more than one year	(252,016)		(252,016)	(150,389)
Net Assets	193,644	312,550	506,194	856,181

22 Charitable status

The company is a registered charity no 515300 and is exempt from income tax and corporation tax. The company is a limited company by guarantee and has no share capital. In the event of the winding up of the company, the liability of members is limited to a maximum of £1 each.

23 Commitments

At 31 March 2023 the company had future minimum operating leases payments as follows:

	2023 £	2022 £
Within one year	49,096	49,096
Between one and five years	22,460	75,145
Over five years	-	-
	<u>71,556</u>	<u>124,241</u>

24 Related party transaction

The company has taken advantage under FRS 102 not to disclose details of its transactions of its subsidiary.

During the year, M White charged the charitable company £11,050 (2022: £10,000) in respect of consultancy services.

	2023 £	2022 £
Key management personnel compensation	<u>157,322</u>	<u>147,031</u>

25 Reconciliation of net expenditure to net cash flow from operating activities

	2023	2022
	£	£
Net (expenditure) for the year	(439,469)	(146,012)
Pension scheme adjustment	73,000	91,000
Interest paid	15,762	10,645
Depreciation and amortisation charges	55,417	54,691
Decrease/(Increase) in debtors	26,236	(41,246)
Increase in creditors	213,049	100,713
	<u>(56,005)</u>	<u>69,791</u>

26 Analysis of changes in net debt

	01.04.2022	Net cash flows	Non cash movements	31.03.2023
	£	£	£	£
Cash	272,750	(199,523)	-	73,227
Debt due within one year	(31,860)	1,320	(2,985)	(33,525)
Debt due after one year	(150,389)	31,888	(133,515)	(252,016)
	<u>90,501</u>	<u>(166,315)</u>	<u>(136,500)</u>	<u>(212,314)</u>

27 Pensions

As explained at note 2.13 the company operates both a defined benefit pension scheme and a defined contribution pension scheme.

The company is a member of the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (LGPS). The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Funds Funding Strategy Statement. The last actuarial valuation was at 31 March 2022.

At the year-end date, under the FRS 102 basis of calculation, the Fund Actuary has calculated the FRS102 valuation of the pension fund position to be a surplus of circa £380,000.

The recognition of this asset is governed by FRS102 by the amount of economic benefit the Trustees believe will be received by the charity either through a direct refund or through a reduction in future contributions.

The Local Government Pension Scheme Regulations do not permit the re-payment of contributions or surplus assets to employers whilst they are an ongoing employer in the fund as was the position at the year-end date. However, the Regulations do permit a payment of an "exit credit" to an employer who exits the Fund. Therefore, the Trustees have the option to consider the possibility of exiting the fund in order to obtain this economic benefit for the charity whilst market conditions are favourable.

The basis on which an exit position is calculated is very different from the basis used for FRS102 calculations and could possibly be a liability, once calculated by the actuary.

Note 27 is continued on page 42

Notes to financial statements for the year ended 31 March 2023.

27 Pensions, continued from page 41

Under FRS102, for recognition of the asset, we also need to consider the second basis for recognition being whether economic benefit could be gained from a reduction in future contributions. Future contributions by the charity are expected to be nil, therefore no benefit could be gained.

Therefore, as the asset recognition criteria cannot be supported with certainty, the Trustees do not believe it is appropriate to recognise the FRS 102 calculated asset, as realisation of such an asset is uncertain.

The Trustees have therefore concluded, due to the uncertainty detailed above, to report neither an asset nor a liability at the year-end date which more accurately reflects the position.

The Fund Administering Authority, City of Bradford Metropolitan Council, is responsible for the governance of the Fund.

The key assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:-

	2023	2022
	%	%
Discount rate for liabilities	4.70	2.70
Pension increases	2.70	3.00
Pension accounts revaluation rate	2.70	3.00
Salaries increases	3.95	4.25
CPI Inflation	2.70	3.00

Mortality assumption

The mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2023	2022
Males		
Member aged 65 at accounting date	21.6	21.8
Member aged 45 at accounting date	22.9	22.5
Females		
Member aged 65 at accounting date	24.6	24.6
Member aged 45 at accounting date	25.7	25.7

Note 27 is continued on page 43

Notes to financial statements for the year ended 31 March 2023.

27 Pensions, continued from page 42

The approximate split of the assets of the Fund is as set out below:-

	2023 %	2022 %
Equities	80.8	79.8
Property	3.3	4.0
Government bonds	6.9	7.4
Corporate bonds	4.6	4.8
Cash	2.3	2.9
Other	2.1	1.1
	<u>100.0</u>	<u>100.0</u>

The actual returns on assets are set out below:-

	2023 £	2022 £
Interest income on assets	64,000	46,000
(Loss)/gain on assets	(28,000)	188,000
Actual return on assets	<u>36,000</u>	<u>234,000</u>

The changes in the fair values of the assets were:-

	2023 £	2022 £
Opening fair value of assets	2,394,000	2,178,000
Interest income on assets	64,000	46,000
Re-measurement (losses)/gains on assets	(28,000)	188,000
Members contributions	9,000	10,000
Net benefits paid out	(27,000)	(28,000)
Closing fair value of assets	<u>2,412,000</u>	<u>2,394,000</u>

The changes in the present values of the defined benefit obligations:-

	2023 £	2022 £
Opening present value of liabilities	2,892,000	2,986,000
Current service costs	59,000	74,000
Interest expense on defined benefit obligations	78,000	63,000
Members contributions	9,000	10,000
Actuarial gains on liabilities	(979,000)	(213,000)
Net benefits paid out	(27,000)	(28,000)
Closing present value of liabilities	<u>2,032,000</u>	<u>2,892,000</u>

Note 27 is continued on page 44

Notes to financial statements for the year ended 31 March 2023.

27 Pensions, continued from page 43

The reconciliation of the funded status of the Fund to the balance sheet is as follows:-

	2023 £	2022 £
Fair value of assets	2,412,000	2,394,000
Present value of funded defined benefit obligations	(2,032,000)	(2,892,000)
Unrecognised asset	(380,000)	-
	<u> </u>	<u> </u>
Net pension asset/(liability)	<u> </u> -	<u> </u> (498,000)

The split of the liabilities at the last valuation between the various categories of members is as follows:-

Active members	50%
Deferred Pensioners	22%
Pensioners	28%

The pension costs recognised in the statement of financial activities are made up as follows:-

	2023 £	2022 £
Operating Costs :-		
Current service cost	59,000	74,000
Finance costs :-		
Interest costs on pension liabilities	14,000	17,000
	<u> </u>	<u> </u>
	73,000	91,000
Actuarial gains	(951,000)	(401,000)
	<u> </u>	<u> </u>
Total pension costs recognised	<u> </u> (878,000)	<u> </u> (310,000)

Sensitivity Analysis :-

	Base figure £	+0.1% £	-0.1% £
Discount Rate			
Present value of total obligation	2,032,000	1,997,000	2,069,000
Projected service cost	33,000	32,000	34,000
Rate of increase in salaries			
Present value of total obligation	2,032,000	2,038,000	2,026,000
Projected service cost	33,000	33,000	33,000
Rate of increase in pensions			
Present value of total obligation	2,032,000	2,062,000	2,004,000
Projected service cost	33,000	34,000	32,000
Post retirement mortality assumption		-1 year	+1 year
Present value of total obligation	2,032,000	2,085,000	1,979,000
Projected service cost	33,000	34,000	32,000

TURNING LIVES AROUND LTD

England & Wales - Charity number 515300

Accounts

TURNING LIVES AROUND LTD
(A company limited by guarantee)

Trustees' Report and Financial Statements
For the year ended 31 March 2022

Charity number 515300
Company number 1790817

TURNING LIVES AROUND
(A company limited by guarantee)

Financial statements for the year ended 31 March 2022

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Legal and administrative information

Charity name	Turning Lives Around Ltd	
Charity registration number	515300	
Company registration number	1790817	
Registered office and Administration address	4 Ashbrooke Business Park Parkside Lane Leeds LS11 5SF	
Supervisory Board	Mr. I. Livingstone Mr. M. Ford Mrs. E. R. Tebbs-Ogutu Mr. R. Lamborn Mrs. M. A. Ballance Mr. M. White Mrs. S. Jewitt Mr. N. Mather Mr. S. Adris Mr. M. Kerr	Chair Vice Chair (ret. 02.08.2022) (app. 02.08.2022) (app. 02.08.2022)
Chief Executive	Mr. S. Hoey	
Finance Director and Company Secretary	Mr. A. D. Marriott BA FCCA	
Auditors	Brown Butler Chartered Accountants Leigh House 28 – 32 St. Paul’s Street LEEDS LS1 2JT	
Bankers	Lloyds Bank plc PO Box 128 69 Albion Street LEEDS LS1 1YX	
Solicitors	Weightmans llp 100 Old Hall Street, LIVERPOOL, L3 9QJ	

Report of the Supervisory Board

The members of the Supervisory Board present their report and the audited financial statements for the year ended 31 March 2022.

Members of the Supervisory Board

The members of the Supervisory Board during the year were as follows;

Mr. I. Livingstone	Mr. M. Ford
Mr. D. Penman (resigned 1 st February 2022)	Mr. M. Meadowcroft (resigned 8 th April 2022)
Mrs. E.R.Tebbs-Ogutu	Mr. R. Lamborn (resigned 2 nd August 2022)
Mrs. M. A. Ballance	Mr. M. White
Mrs. S. Jewitt	Mrs. G. Laidler (resigned 1 st February 2022)
Mr. N. Mather (appointed 4 th May 2021)	

Members of the Supervisory Board are directors of the company for the purpose of company law, and trustees for the purpose of charity law.

Accounts

The members of the Supervisory Board submit the audited financial statements of the group for the year ended 31 March 2022. As set out on page 16, the net incoming resources for the year amount to a deficit of £146,012 (a surplus of £82,008 in 2021) and are dealt with as shown in the statement of financial activities. General funds are reporting a deficit for the year of £136,978. Restricted funds showed no movement for the year. Designated funds showed a deficit for the year of £9,034.

Impact Statement

As a result of the company having to comply with the requirements of FRS102 regarding Retirement Benefits within the financial statements, we are required to report the pension liabilities for the legacy staff from Leeds City Council that are members of the West Yorkshire Pension Fund (WYPF). The WYPF scheme is presently reporting a deficit, however, due to the long term nature of pensions this deficit is understood by the regulatory bodies such as the Charities Commission to have little or no impact on the viability of the charity.

Status

Turning Lives Around (“TLA”) is a company limited by guarantee and has no share capital. At 31 March 2022, there were 27 members (2021 - 27), each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the winding up of the company. The company is a registered charity number 515300.

The company has one wholly owned subsidiary Business 900 Community Interest Company, the subsidiary’s results are consolidated into the financial statements.

The company is governed by its Memorandum and Articles of Association which outlines the objects and powers of the charitable company. Under the company's Articles of Association, one third of the members of the Supervisory Board retires by rotation at the AGM and are eligible for re-election.

Report of the Supervisory Board (continued)

Governing body – Skills of Supervisory Board

The charity's work focuses upon accommodating and supporting vulnerable homeless people. The Supervisory Board seeks to ensure that the needs of the service users are appropriately reflected through the diversity of membership. To enhance the potential pool of trustees, the charity has, through selective advertising, sought to identify potential trustees.

The more traditional business skills are well represented on the Supervisory Board. In an effort to maintain this broad skill mix, members of the Supervisory Board are requested to provide a list of their skills (and update it each year). In the event of particular skills being lost due to retirement, the charity will seek to recruit new members to the Board possessing those skills.

Pay and remuneration of key management personnel is set by reviewing the market rates for those positions and also to compare rates with competition in the same locality and sector.

Trustee induction and training

New trustees are encouraged to attend an induction programme, which includes meetings with the Chief Executive (explanation of operational procedures) and Finance Director (explanation of budgets and accounts). This would be followed by visits to each of the charity's schemes.

Operational Structure

TLA has a Supervisory Board of up to seven members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has seven members from a variety of professional backgrounds, relevant to the work of the charity. The Secretary also sits on the Board but has no voting rights. The Supervisory Board is supported by an Executive Board that meets monthly.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the Chief Executive and Finance Director. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Senior Managers who report directly to the Chief Executive, have responsibility for day-to-day operational care of the charity, individual supervision of the staff team and also for ensuring that the teams continue to develop their skills and working standards in line with good practice.

Insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect the directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £1,000,000 on any claim. It is not possible to quantify the directors and officers indemnity element from the overall cost of the commercial insurance policy. The cost of this insurance forms part of the total insurance cost.

Objectives and Activities

The charity's objectives are:

- To relieve poverty, sickness, infirmity, in old age in particular, but not exclusively by means of a provision of accommodation and the provision of advice and counseling.
- The advancement of education, including by (but not limited to) the provision of advice and training and advancing the educational development and care of children especially those under the age of five and advancing the education of those responsible for their day to day care.

Report of the Supervisory Board (continued)

Activities

The principal activities of Turning Lives Around during the year continued to be the provision of supported housing for single homeless people.

Turning Lives Around continues to provide supported housing and floating support services throughout the cities of Leeds and Wakefield, for which demand remains high.

The principal activity of the charity's subsidiary, Business 900 Community Interest Company is the provision of cleaning services.

During the year no material goods or services were donated to the charity to further its objectives or activities.

The strategies employed to assist the charity to meet its objectives include the following:

- Providing a range of services that are reflective of relevant quality standards and addressing the potential issues related to drug and alcohol misuse.
- Providing a floating support service to men and women at risk of losing their tenancies as a result of drug and alcohol abuse.
- Providing accommodation with support, advice and basic skills training for young people.
- Providing accommodation and support to men and women who display a number of long standing support needs, which prevent them from living safely and independently within the community.

Partner Agencies

Accent Group	Leeds Federated Housing Association
Children in Vulnerable Accommodation (CHIVA)	Leeds Metropolitan University
Connect Housing	Leeds University
Drugs & Offender Management Unit (DOMU)	Leeds Youth Offending Team (YOT)
Huddersfield University	Places for People
Leeds Children's Fund	Sanctuary Housing Association
West Yorkshire Probation Service	Foundation UK
Gipsil	Lota Properties
Unity Homes	V Demir Homes
Touchstone	Invest North Ltd
Leeds City Council	Wakefield City Council

Financial Review and Funding Sources

The year 2021-2022 was influenced by global events making the year an extremely challenging one. All our colleagues should celebrate and be heartily congratulated for their efforts and diligence above and beyond in continuing to support all the vulnerable people during the pandemic.

Most of our services have generated deficits during the year. Each service have had different challenges to overcome in such a difficult year. The continued mobilization of a relatively new contract, problems in recruiting and high maintenance costs in particular influenced the years results. The future still looks challenging, however, the organization continues to look at other funding opportunities from all regions in Yorkshire. The organization will also continue with fundraising activities aimed at the private sector, philanthropic organizations, and individuals.

Report of the Supervisory Board (continued)

The stand-alone SOFA of the main charity made a deficit of £139,765 in the year, the subsidiary Business 900 Community Interest Company made a loss of £8,956. See reserves policy set out below for the impact this has had on the charities reserves.

Principal Funding Sources

Leeds City Council Neighbourhoods and Housing Department
 Leeds City Council Social Services Department
 Wakefield City Council Housing Sustainment Pathway

Capital Funding

The Community Fund (Potterdale Community Resource Centre)
 Right to Buy Replacement Program Funding

Other Charity Funding

- The Clothworkers Foundation
- Henry Smith Charity
- Leeds Womens Aid
- J Paul Getty Trust Charitable Trust
- Huddersfield University
- Leeds Community Foundation
- Leeds Mind
- The Wilmington Trust

Achievements and Performance

The Services

The main area of charitable activities continues to be provision of accommodation with support and outreach work for vulnerable homeless people. TLA works across all the geographical locations in Leeds and Wakefield.

TLA provides housing and support services to people struggling to cope with a broad range of issues including mental health, learning difficulties, drug and alcohol abuse, domestic violence, refugees and offending integration. Our aim is to support people in developing the skills, knowledge and confidence necessary to live successfully and safely in their own homes and to engage effectively within their community.

Every year we regularly seek the views of all our stakeholders by means of a questionnaire. The returned questionnaires are analysed and any suggested improvements to our services are addressed. Performance in all contracts has been successful and the charity continues to strive for and safeguard healthy reserves.

Measures or indicators to assess performance include: monthly Management Accounts compared to budgets, cash flow management and forecasts, void performance by service and for the organisation, planned outcomes, client outcomes, complaints and incidents, utilisation levels of properties and staff attendance.

Report of the Supervisory Board (continued)

Safeguarding

TLA continues to place the Safeguarding of adults and children central to all the work we do. We have highly experienced and well trained Senior Managers who lead on Safeguarding issues and all staff regularly receives Safeguarding training.

Future Plans

TLA is investing in the purchase of properties to increase its own stock. TLA is working towards becoming a Registered Provider of Social Housing. TLA also plans to further its work in related areas and to extend its services further into different regions within Yorkshire. TLA seeks to advance its commitment to a social enterprise and now operates a work-focused initiative to employ and train existing service users.

Fixed assets

Movements in fixed assets are shown in note 14 in the financial statements.

Reserves policy

In line with the Charity Commission guidelines the Members of the Supervisory Board have formulated a reserves policy to ensure that a minimum level of reserves is maintained to ensure that Turning Lives Around can continue to provide a level of service having regard to possible future fluctuations in both income and expenditure.

As set out and explained in note 20, the charity has a number of designated reserves to meet specific expenditure as well as an unrestricted general reserve.

These reserves are set out below;

	2022		2021	
	Charity £	Consol'd £	Charity £	Consol'd £
Restricted Funds (note 19)	303,743	303,743	303,743	303,743
Designated Reserves (note 20)	93,818	93,818	52,852	52,852
General Reserves (note 20)	442,409	458,620	493,090	515,548
Total before pension liability	839,970	856,181	849,685	872,143
Pension Reserve (note 20)	(498,000)	(498,000)	(808,000)	(808,000)
	341,970	358,181	41,685	64,143

The deficit in the Local Government Pension Scheme of £498,000 is recognised in the balance sheet. However, due to the long term nature of the deficit it is not expected to have any material impact on the viability of the charity.

Report of the Supervisory Board (continued)

Risk management

The Supervisory Board has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a forward plan which has allowed and will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charitable Company. These procedures were reviewed during the year to ensure that they still meet the needs of the Charity and also to identify new areas in which the Charity could contribute to the disadvantaged of the city.

Statement of the responsibilities of the members of the Supervisory Board

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Report of the Supervisory Board (continued)

Statement as to disclosure of information to auditors

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution proposing that Brown Butler Chartered Accountants be reappointed as auditors of the charity will be put to the Annual General Meeting.

Public benefit

The Supervisory Board have had regard to the Charity Commission's guidance on public benefit and confirm that this guidance forms the basis of planning decisions at both strategic and operational levels.

The report of the members of the Supervisory Board was approved on 9/12/22..... and signed on their behalf by:



Alan D Marriott
Signed on 09/12/22 @ 16:40

Mr. A D Marriott BA FCCA
Secretary

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Opinion

We have audited the financial statements of Turning Lives Around Ltd (the "charitable parent company") and its subsidiaries (the "group") for the year ended 31 March 2022, which comprise the Consolidated and Company Statement of Financial Activities, the Consolidated and Company Balance Sheets, 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 charitable parent 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;
- have been properly prepared in accordance with the Charities SORP FRS102 (October 2019) and the Charities Act 2011.

Basis of 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 and charitable parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charitable parent 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.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Other information

The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's 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.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purpose 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 group's and charitable parent 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 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 auditor under the Companies Act 2006 and report in accordance with this Act.

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.

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

Capability of the audit in detecting irregularities, including fraud

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 key laws and regulations we have considered in this context included the Companies Act 2006, the Charities Act 2011, pension and tax legislation together with the Charities SORP FRS102 (October 2019). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's and charitable parent company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the trustees and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the group's and charitable parent company's regulatory and legal correspondence and discussed with the trustees and other management any known or suspected instances of fraud or non-compliance with laws and regulations.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Capability of the audit in detecting irregularities, including fraud - continued

- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements. We also discussed related party relationships and transactions involving them.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

Use of our report

This report is made solely to the charitable parent 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 parent 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 parent company and the charitable parent company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Brown Butler

Nicola Taylor (Senior Statutory Auditor)
 For and on behalf of Brown Butler
 Chartered Accountants and Statutory Auditor
 Leigh House
 28-32 St Paul's Street
 Leeds
 LS1 2JT

20 December 2022

Charity only Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2022

	Notes	Unrestricted			TOTAL	TOTAL
		General Funds	Designated Funds	Restricted Funds	2022	2021
		£	£	£	£	£
INCOME FROM:						
Donations and legacies	3	69,931	26,536		96,467	83,664
Charitable activities:						
Contract funding	4	2,651,414			2,651,414	2,298,990
Income from rent	4	3,452,420			3,452,420	3,174,310
Investments	6	3			3	15,464
Total		6,173,769	26,536	-	6,200,305	5,572,428
EXPENDITURE ON :						
Raising funds	7	28,032			28,032	47,633
Charitable activities:						
Support Services	7	2,874,792	29,147		2,903,939	2,474,040
Housing Management	7	3,401,676	6,423		3,408,099	2,937,795
Other Charitable Services	7	-			-	-
Total		6,304,500	35,570	-	6,340,070	5,459,468
Net (Expenditure) / Income		(130,731)	(9,034)	-	(139,765)	112,960
Gross transfer between funds		(50,000)	50,000	-	-	-
Net (Expenditure) / Income		(180,731)	40,966	-	(139,765)	112,960
Other recognised gains & losses						
Gains on revaluation of assets		39,050			39,050	18,939
Actuarial gains / (losses) on defined benefit pension scheme		401,000			401,000	(110,000)
Exceptional Item						
Flowerpots Debtor Impairment		-			-	(12,158)
Net movement in Funds		259,319	40,966	-	300,285	9,741
Reconciliation of funds						
Funds at 1 April 2021		(314,910)	52,852	303,743	41,685	31,944
Funds at 31 March 2022		(55,591)	93,818	303,743	341,970	41,685

All the charitable company's activities derive from continuing operation during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Consolidated Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2022

	Notes	Unrestricted			TOTAL	TOTAL
		General Funds	Designated Funds	Restricted Funds	2022	2021
		£	£	£	£	£
INCOME FROM :						
Donations and legacies	3	69,931	26,536		96,467	83,664
Charitable activities:						
Contract funding	4	2,651,414			2,651,414	2,298,990
Income from rent	4	3,452,420			3,452,420	3,174,310
Other trading activities	5	50,536			50,536	182,631
Investments	6	3			3	-
Total		6,224,305	26,536	-	6,250,841	5,739,595
EXPENDITURE ON :						
Raising funds	7	157,111			157,111	311,290
Charitable activities:						
Support Services	7	2,874,792	29,147		2,903,939	2,474,609
Housing Management	7	3,329,381	6,423		3,335,804	2,869,570
Other Charitable Services	7	-			-	-
Other costs						
Corporation tax	7, 10	(1)			(1)	2,118
Total		6,361,283	35,570	-	6,396,853	5,657,587
Net (Expenditure) / Income		(136,978)	(9,034)	-	(146,012)	82,008
Gross transfer between funds		(50,000)	50,000	-	-	-
Net (Expenditure) / Income		(186,978)	40,966	-	(146,012)	82,008
Other recognised gains & losses						
Gains on revaluation of assets		39,050			39,050	18,939
Actuarial gains/(losses) on defined benefit pension scheme		401,000			401,000	(110,000)
Net movement in Funds		253,072	40,966	-	294,038	(9,053)
Reconciliation of funds						
Funds at 1 April 2021		(292,452)	52,852	303,743	64,143	73,196
Funds at 31 March 2022		(39,380)	93,818	303,743	358,181	64,143

Other than the discontinued operations of 2021, all other group activities derive from continuing operations during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Charity only Balance sheet as at 31 March 2022

	Note	2022	2021
		£	£
FIXED ASSETS			
Intangible assets	13	2,433	4,865
Tangible assets	14	826,852	605,805
Investments	15	-	150,000
		<u>829,285</u>	<u>760,670</u>
CURRENT ASSETS			
Debtors	16	583,334	530,009
Cash at bank and in hand		242,422	312,475
		<u>825,756</u>	<u>842,484</u>
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	17	673,194	582,950
		<u>673,194</u>	<u>582,950</u>
NET CURRENT ASSETS		<u>152,562</u>	<u>259,534</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		981,847	1,020,204
Creditors – amounts falling due after one year	18	141,877	170,519
NET ASSETS excluding pension liability		<u>839,970</u>	<u>849,685</u>
Defined pension scheme liability	27	498,000	808,000
NET ASSETS incl pension liability		<u>341,970</u>	<u>41,685</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	19	303,743	303,743
Unrestricted Funds	20	536,227	545,942
Pension Reserve	20	(498,000)	(808,000)
Total Funds		<u>341,970</u>	<u>41,685</u>

These financial statements were approved and authorised for issue by the Supervisory Board on ~~9 December 2022~~ and signed on its behalf by :-



Ian Livingstone
 Signed on 20/12/22 @ 11:15

Ian Livingstone

The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Consolidated Balance sheet as at 31 March 2022

	Note	2022	2021
		£	£
FIXED ASSETS			
Intangible assets	13	2,433	4,865
Tangible assets	14	<u>838,843</u>	<u>761,583</u>
		841,276	766,448
CURRENT ASSETS			
Debtors	16	579,222	537,976
Cash at bank and in hand		<u>272,750</u>	<u>327,341</u>
		851,972	865,317
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	17	<u>686,678</u>	<u>585,452</u>
		686,678	585,452
NET CURRENT ASSETS		<u>165,294</u>	<u>279,865</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,006,570	1,046,313
Creditors – amounts falling due after one year	18	150,389	174,170
NET ASSETS excluding pension liability		<u>856,181</u>	<u>872,143</u>
Defined pension scheme liability	27	498,000	808,000
NET ASSETS incl pension liability		<u>358,181</u>	<u>64,143</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	19	303,743	303,743
Unrestricted Funds	20	552,438	568,400
Pension Reserve	20	(498,000)	(808,000)
Total Funds		<u>358,181</u>	<u>64,143</u>

These financial statements were approved and authorised for issue by the Supervisory Board on ~~9 December 2022~~ and signed on its behalf by :-



Ian Livingstone
 Signed on 20/12/22 @ 11:15

Ian Livingstone

The notes on pages 20 to 44 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 March 2022

	Note	2022	2021
		£	£
Net cash flow from operating activities	25	69,791	240,842
Corporation tax		(2,118)	-
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(79,569)	(67,414)
Interest received		3	-
Net cash flow from investing activities		<u>(79,566)</u>	<u>(67,414)</u>
Cash flow from financing activities			
Loan repayments		(10,569)	(8,957)
Finance lease repayments		(16,239)	(1,667)
Hire purchase repayments		(5,245)	-
Interest paid		<u>(10,645)</u>	<u>(7,630)</u>
Net cash flow from financing activities		<u>(42,698)</u>	<u>(18,254)</u>
Net (reduction) / increase in cash		(54,591)	155,174
Cash at 1 April 2021		<u>327,341</u>	<u>172,167</u>
Cash at 31 March 2022		<u>272,750</u>	<u>327,341</u>

The notes on pages 20 to 44 form part of these financial statements.

Notes to financial statements for the year ended 31 March 2022.**1. General information**

Turning Lives Around is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

The charity is incorporated in England & Wales, is registered as a charity with the Charity Commissioners and is also a public benefit entity as defined by Financial Reporting Standard 102 the "Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

Its registered office and principal place of business is:-

4 Ashbrooke Business Park
Parkside Lane
Leeds
LS11 5SF

2. Summary of significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102 (2022), the 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) (SORP (FRS 102) issued October 2019) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Funds

Unrestricted funds 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Note 2 is continued on page 21

Notes to financial statements for the year ended 31 March 2022.**2.3 Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and these require a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably, and the charity has control over the item. Fair value is determined based on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Grants received for the acquisition of fixed assets are accounted for as restricted funds. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned. Other grants are treated as income and, where applicable, they are accounted for as restricted funds. Where the grant covers future accounting periods, the amount relating to future periods is deferred and recognised in the correct period.

2.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

2.5 Support costs allocation

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 7.

Notes to financial statements for the year ended 31 March 2022.**2.6 Intangible fixed assets**

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of amortisation are as follows:-

Asset class	Amortisation method and rate
Website	20% straight line basis

2.7 Tangible fixed assets

Freehold property and leasehold property are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Other tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Other than freehold, leasehold and investment properties, depreciation is provided on tangible fixed assets on a straight line basis, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

Leasehold improvements	- 5 years
Furniture and equipment	- 2-10 years

2.8 Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the SoFA. The reversal of an impairment loss is recognised immediately in the SoFA.

2.9 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, if fair value can be measured reliably, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

Notes to financial statements for the year ended 31 March 2022.**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

2.12 Leases

Fixed assets acquired under finance lease and hire purchase contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest attributable to each period is charged to the SOFA.

Operating lease rentals are charged to the SOFA as incurred.

2.13 Pensions

The charity operates a defined benefit pension scheme with the Local Government Pension Scheme (LGPS) and a defined contribution pension scheme. The assets of both schemes are held in separate trustee administered funds and those in the LGPS are subject to actuarial valuation.

The assets and liabilities of the LGPS are measured using the roll forward approach. This approach is a method of approximately calculating pension scheme assets and liabilities by making adjustments to the results of the last full actuarial valuation exercise. The last full actuarial valuation was performed at 31 March 2019 and is due to be performed again for 2022. The amounts charged to the SoFA are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the SoFA and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The pension costs charged to the SoFA regarding the defined contribution scheme are the premiums payable in respect of the accounting period.

2.14 Taxation

The charity considers that it meets the definition of a charitable company for UK corporation tax purposes and is accordingly potentially exempt from tax in respect of its income and gains.

Note 2 is continued on page 24

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

2.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2.16 Critical accounting estimates and assumption

The charity makes estimates and assumptions concerning the future and the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The main area of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to the estimates used in valuing the Local Government Pension Scheme (LGPS) and the properties held at fair value.

The present value of the LGPS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions assets and liabilities at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The carrying amount of the properties held at fair value are disclosed in notes 14 and 15.

3 Donations and legacies

Charity and Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2022	2021
	£	£	£	£	£
Donations	-	6,698	-	6,698	950
Job retention scheme grants	-	-	-	-	29,978
Other grants	69,931	19,046	-	88,977	52,220
Sundry income	-	792	-	792	516
	69,931	26,536	-	96,467	83,664

Income from donations and legacies in the year ended 31 March 2021 was £83,664 of which £59,783 was attributable to general funds and £23,881 attributable to designated funds.

Notes to financial statements for the year ended 31 March 2022.**4 Charitable activities
Charity and Consolidated**

Contract funding	Unrestricted			Total	Total
	General	Designated	Restricted	2022	2021
	£	£	£	£	£
Leeds City Council Neighborhood's and Housing Strategy & Commissioning Wakefield City Council Housing Sustainment Pathway	2,143,374	-	-	2,143,374	1,776,072
Other grants	482,906	-	-	482,906	470,412
	25,134	-	-	25,134	52,506
	2,651,414	-	-	2,651,414	2,298,990

Income from contract funding in the year ended 31 March 2021 was £2,298,990 of which £2,249,647 was attributable to general funds and £49,343 attributable to restricted funds.

Income from rent

Turning Lives Around provides accommodation for single homeless people. For the majority of residents their only financial support is state benefit. Turning Lives Around charges rents to its residents. The rate at which rent is charged is regulated by the housing associations that it works in partnership with.

	Unrestricted			Total	Total
	General	Designated	Restricted	2022	2021
	£	£	£	£	£
Rent receivable	3,902,959	-	-	3,902,959	3,494,773
Voids	(409,343)	-	-	(409,343)	(292,113)
Bad debts written-off	(41,196)	-	-	(41,196)	(28,350)
	3,452,420	-	-	3,452,420	3,174,310

Income from rent in the year ended 31 March 2021 was £3,174,310 all of which was attributable to general funds.

**5 Other trading activities
Consolidated**

	Unrestricted			Total	Total
	General	Designated	Restricted	2022	2021
	£	£	£	£	£
Nursery income	-	-	-	-	110,545
Cleaning services	50,536	-	-	50,536	44,099
Grant income	-	-	-	-	27,987
	50,536	-	-	50,536	182,631

Other trading activities in the year ended 31 March 2021 was £182,631 all of which was attributable to general funds.

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

6 Income from investments
Charity only

	Unrestricted			Total 2022	Total 2021
	General	Designated	Restricted		
	£	£	£	£	£
Rent from subsidiary entity	-	-	-	-	15,464
Bank interest received	3	-	-	3	-
	3	-	-	3	15,464

Income from investments in the year ended 31 March 2021 was £15,464 all of which was attributable to general funds.

7 Expenditure on
Charity only

	Unrestricted			Total 2022	Total 2021
	General	Designated	Restricted		
	£	£	£	£	£
Raising funds					
<i>Costs re investment properties</i>	5,083	-	-	5,083	8,843
<i>Fund raising activities</i>	22,949	-	-	22,949	38,790
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	2,874,792	29,147	-	2,903,939	2,474,040
<i>Housing Management</i>	3,401,676	6,423	-	3,408,099	2,937,795
Other Charitable Activities	-	-	-	-	-
	6,304,500	35,570	-	6,340,070	5,459,468

Expenditure for the year ended 31 March 2021 was £5,459,468 of which £5,451,615 was attributable to general funds, £7,853 was attributable to designated reserves.

Governance Costs included within support costs

	2022	2021
	£	£
Audit and accountancy fees	10,458	10,560
Legal and professional fees	11,863	20,656
Annual general meeting costs	-	-
	22,321	31,216

Note 7 is continued on page 27

CHARITY ONLY
NOTES ON THE ACCOUNTS - 31 MARCH 2022

7 EXPENDITURE ON

	CONTRACT FUNDING WITH			OTHER CHARITABLE			FUND RAISING ACTIVITIES			TOTAL	
	SUPPORT SERVICES	HOUSING MANAGEMENT	DAY CARE	WATOTO	COMMUNITY INTEREST BROKERAGE	TOTAL	INVESTMENTS	FUND RAISING	TOTAL	2022	2021
	£	£	£	£	£	£	£	£	£	£	£
Costs directly allocated to activities											
Staff costs	2,090,963	981,653		0	0	0		20,991	20,991	3,093,607	2,876,638
Agency staff	251,632									251,632	108,725
Recruitment	31,549	3,486								35,035	8,647
Premises	1,780	1,281,231								1,283,011	1,112,542
Insurance	10,168	38,758								48,926	51,751
Maintenance	3,671	257,284					642		642	261,597	122,091
Furniture & renewals		256,379					0		0	256,379	185,846
Heat and light		99,975					0		0	103,097	108,226
Travel	3,122	1,027								77,715	53,829
Printing, Postage & Stationery	71,688	4,331			0	0	0			22,335	17,184
Communications	18,504	4,557			0	0	33		33	40,817	44,739
Cleaning	36,227	4,557					3,555		3,555	156,720	178,446
Training & conferences	31,947	121,218								23,694	18,402
Translation & Interpretation	18,273	5,421								1,926	1,484
Loan interest	1,926						853		853	6,811	6,993
Service users' welfare	25,785	53,155					0		0	78,940	63,364
Finance lease interest	2,710									2,710	0
Finance cost re LGPS Pension	17,000									17,000	15,000
	2,614,235	3,117,143	0	0	0	0	5,083	20,991	26,074	5,757,452	4,973,907

Support costs allocated to activities

Office and finance staff costs	Pro-rata	160,790	145,916					1,958	1,958	308,664	254,575
Agency staff	Pro-rata	2,963	2,689							5,652	18,745
Books & publications	Pro-rata	162	147							309	205
Subscriptions	Pro-rata	1,608	1,459							3,067	3,919
Legal & professional	Pro-rata	6,219	5,644							11,863	20,656
Operating lease rentals	Pro-rata	24,946	22,639							47,585	47,493
Office equipment	Pro-rata	122	111							233	0
Computer costs	Pro-rata	36,542	33,162							69,704	37,869
Depreciation	Usage	15,262	34,573							49,835	19,226
Consultancy	Pro-rata	31,280	26,935				0		0	58,215	51,345
Audit and accountancy fees	Pro-rata	5,483	4,975							10,458	10,560
Bank charges	Pro-rata	251	228							479	416
Publicity	Pro-rata	1,693	1,537							3,230	176
Annual general meeting	Pro-rata	0	0							0	0
Refreshments	Pro-rata	801	727							1,528	1,535
Other costs	Pro-rata	1,582	10,214							11,796	18,741
		289,704	290,956	0	0	0	0	1,958	1,958	582,618	485,561
		2,903,939	3,408,099	0	0	0	5,083	22,949	28,032	6,340,070	5,459,468

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

7 Expenditure on, continued from page 27
Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2022	2021
	£	£	£	£	£
Raising funds					
<i>Trading costs</i>	134,162	-	-	134,162	272,500
<i>Fund raising activities</i>	22,949	-	-	22,949	38,790
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	2,874,792	29,147	-	2,903,939	2,474,609
<i>Housing Management</i>	3,329,381	6,423	-	3,335,804	2,869,570
Other Charitable Activities	-	-	-	-	-
	<u>6,361,284</u>	<u>35,570</u>	<u>-</u>	<u>6,396,854</u>	<u>5,655,469</u>
Other costs					
<i>Corporation Tax</i>	(1)	-	-	(1)	2,118
	<u>6,361,283</u>	<u>35,570</u>	<u>-</u>	<u>6,396,853</u>	<u>5,657,587</u>

Expenditure for the year ended 31 March 2021 was £5,657,587 of which £5,649,734 was attributable to general funds, £7,853 was attributable to designated reserves.

Consolidated governance Costs included within support costs

	2022	2021
	£	£
Audit and accountancy fees	13,492	17,010
Legal and professional fees	11,863	21,349
Annual general meeting costs	-	-
	<u>25,355</u>	<u>38,359</u>

Note 7 is continued on page 29

CONSOLIDATED
NOTES ON THE ACCOUNTS - 31 MARCH 2022

7 EXPENDITURE ON :

	CONTRACT FUNDING WITH					OTHER CHARITABLE			FUND RAISING ACTIVITIES			TOTAL	
	SUPPORT SERVICES	HOUSING MANAGEMENT	DAY CARE	WATOTO	COMMUNITY INTEREST BROKERAGE	TRADING COSTS	FUND RAISING	TOTAL	TOTAL 2022	TOTAL 2021			
											£	£	£
Costs directly allocated to activities													
Staff costs	2,093,926	981,653				78,304	20,991	99,295	3,174,874	3,056,963			
Agency staff	248,669					0		0	248,669	116,995			
Recruitment	31,549	3,486							35,035	8,647			
Premises	1,780	1,281,231							1,283,011	1,114,639			
Insurance	10,168	38,758				2,783		2,783	51,709	57,179			
Maintenance	3,671	235,408				642		642	239,721	112,416			
Furniture & renewals		256,379				0		0	256,379	185,846			
Heat and light		99,975				0		0	103,097	111,081			
Travel	3,122					10,279		10,279	82,994	61,314			
Printing, Postage & Stationery	71,688	1,027				0		0	22,835	17,022			
Communications	18,504	4,331				153		153	40,937	46,247			
Cleaning	36,227	4,557				3,555		3,555	106,815	121,550			
Training & conferences	31,947	71,313				0		0	23,694	19,307			
Translation & Interpretation	18,273	5,421							1,926	1,484			
Loan interest	1,926					853		853	6,811	6,993			
Service users' welfare	25,785	53,155				10,146		10,146	89,086	73,998			
Finance lease interest		2,710				1,124		1,124	3,834	637			
Finance cost re LGPS Pension	17,000								17,000	15,000			
	2,614,235	3,045,362	0	0	0	107,839	20,991	128,830	5,788,427	5,127,318			
Support costs allocated to activities													
Office and finance staff costs	160,790	145,916				16,780	1,958	18,738	325,444	282,842			
Agency staff	2,963	2,689							5,652	18,745			
Books & publications	162	147							309	205			
Subscriptions	1,608	1,459				0		0	3,067	4,345			
Legal & professional	6,219	5,644				0		0	11,863	21,349			
Operating lease rentals	24,946	22,639							47,585	47,493			
Office equipment	122	111							233	0			
Computer costs	36,542	33,162				168		168	69,872	38,010			
Depreciation	15,262	34,573				4,858		4,858	54,693	24,458			
Consultancy	31,280	26,935							58,215	51,343			
Audit and accountancy fees	5,483	4,975				3,034		3,034	13,492	17,010			
Bank charges	251	228							479	416			
Publicity	1,693	1,537							3,230	176			
Annual general meeting	0	0							0	0			
Refreshments	801	727							1,528	1,535			
Other costs	1,582	9,700				1,482		1,482	12,764	20,222			
	289,704	290,442	0	0	0	26,322	1,958	28,280	608,426	528,151			
	2,903,939	3,335,804	0	0	0	134,161	22,949	157,110	6,396,853	5,655,469			

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

8 Net (expenditure) / income is after charging:

	2022		2021	
	Charity	Consol'd	Charity	Consol'd
	£	£	£	£
Depreciation	47,400	54,693	16,893	22,226
Amortisation	2,432	2,432	2,432	2,432
Operating lease charges	47,585	47,585	47,827	47,827
Interest on loans	6,811	6,811	6,993	6,993
Interest on finance leases	2,710	2,710	-	-
Interest on hire purchase	-	1,124	-	637
Finance costs on LGPS Pension	17,000	17,000	15,000	15,000

9 Auditor's remuneration

	2022	2021
	£	£
Audit fee in respect of the financial statements	9,150	8,715
Other fees payable to auditor :		
Audit of the charity's subsidiaries	3,140	4,790
Tax compliance services	180	360
Non audit services	1,155	1,335
	<u>4,475</u>	<u>6,485</u>

10 Tax on net income
Consolidated

	2022	2021
	£	£
Current Taxation		
UK Corporation Tax	-	2,118
Adjustment to prior year	(1)	-
	<u>(1)</u>	<u>2,118</u>
Deferred taxation		
Origination and reversal of timing differences	-	-
Tax on net income	<u>(1)</u>	<u>2,118</u>

The tax charge for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are reconciled below:

	2022	2021
	£	£
Net income before tax	(146,012)	82,008
Corporation tax at standard rate	(27,742)	15,582
Effects of net expenditure/(income) exempt from taxation	29,026	(21,060)
Expenses not deductible for tax purposes	1,386	1,013
Effect of taxation losses	(2,670)	6,583
Adjustment to prior year	(1)	-
Total tax charge	<u>(1)</u>	<u>2,118</u>

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

11 Material transfers between funds

There was a £50,000 transfer from General Reserves to a Designated Fund, Registered Provider Application Fund.

12 Staff costs and numbers

	2022		2021	
	Charity £	Consol'd £	Charity £	Consol'd £
Salaries and wages	2,997,689	3,084,979	2,746,887	2,940,097
Social Security costs	257,178	262,766	238,056	248,592
Pension contributions :-				
Contributions to defined contribution scheme	83,105	85,311	78,265	83,111
Operating costs re defined benefit scheme	74,000	74,000	56,000	56,000
	3,411,972	3,507,056	3,119,208	3,327,800

The above figures include £0 made in respect of redundancy and termination payments.
(2021: £45,079)

	2022 £	2021 £
Employees paid between £60,001 and £70,000	1	1

No remuneration was paid during the year to any member of the Supervisory Board, nor were there any expenses reimbursed to them.

In addition, during the year, M White charged the charitable company £10,000 (2021: £5,300) in respect of consultancy fees.

The average weekly number of employees during the year, analysed by function, was:

Number of employees	2022		2021	
	Charity	Consol'd	Charity	Consol'd
Support Services & Housing Management	114	114	108	108
Other Charitable Services	-	7	-	17
Support costs	11	11	9	9
	125	132	117	134

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

13 Intangible fixed assets

Parent & Consolidated

	Website £	Total £
Cost		
At 31 March 2021	12,162	12,162
At 31 March 2022	<u>12,162</u>	<u>12,162</u>
Amortisation		
At 31 March 2021	7,297	7,297
Charge for the year	2,432	2,432
At 31 March 2022	<u>9,729</u>	<u>9,729</u>
Net Book Value		
At 31 March 2021	<u>4,865</u>	<u>4,865</u>
At 31 March 2022	<u>2,433</u>	<u>2,433</u>

The amortization charge for the year is included within the SoFA heading of expenditure on charitable activities.

The intangible fixed assets have been pledged as security for liabilities of the charity.

14 Tangible fixed assets

Parent only

	Freehold Properties	Leasehold Property	Leasehold Improvements	Furniture & Equipment	Total
	£	£	£	£	£
Cost / valuation					
At 1 April 2021	462,000	-	10,977	440,525	913,502
Transfer		150,000			150,000
Additions during year		8,950		70,447	79,397
Disposals during year					-
Revaluation	28,000	11,050			39,050
At 31 March 2022	<u>490,000</u>	<u>170,000</u>	<u>10,977</u>	<u>510,972</u>	<u>1,181,949</u>
Depreciation					
At 1 April 2021	-	-	10,977	296,720	307,697
Charge for year				47,400	47,400
Relating to disposals					-
At 31 March 2022	<u>-</u>	<u>-</u>	<u>10,977</u>	<u>344,120</u>	<u>355,097</u>
Net Book Value					
At 1 April 2021	<u>462,000</u>	<u>-</u>	<u>-</u>	<u>143,805</u>	<u>605,805</u>
At 31 March 2022	<u>490,000</u>	<u>170,000</u>	<u>-</u>	<u>166,852</u>	<u>826,852</u>

The tangible fixed assets have been pledged as security for liabilities of the charity.

The freehold properties and the leasehold property were revalued on 31 March 2022 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method.

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

14 Tangible fixed assets, continued from page 32

The historical cost of the properties included at valuation is as follows:-

	Freehold properties £	Leasehold Property £	Total £
Cost	453,456	194,041	647,497
Accumulated depreciation	9,222	8,788	18,010
	<u>444,234</u>	<u>185,253</u>	<u>629,487</u>

Consolidated

	Freehold Properties £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Cost / valuation						
At 1 April 2021	462,000	150,000	10,977	10,700	441,801	1,075,478
Additions during year		8,950		10,900	70,619	90,469
Disposals during year					(642)	(642)
Revaluation	28,000	11,050				39,050
At 31 March 2022	<u>490,000</u>	<u>170,000</u>	<u>10,977</u>	<u>21,600</u>	<u>511,778</u>	<u>1,204,355</u>
Depreciation						
At 1 April 2021	-	-	10,977	5,350	297,568	313,895
Charge for year				4,492	47,767	52,259
Relating to disposals					(642)	(642)
Impairment					-	-
At 31 March 2022	<u>-</u>	<u>-</u>	<u>10,977</u>	<u>9,842</u>	<u>344,693</u>	<u>365,512</u>
Net Book Value						
At 1 April 2021	<u>462,000</u>	<u>150,000</u>	<u>-</u>	<u>5,350</u>	<u>144,233</u>	<u>761,583</u>
At 31 March 2022	<u>490,000</u>	<u>170,000</u>	<u>-</u>	<u>11,758</u>	<u>167,085</u>	<u>838,843</u>

The tangible fixed assets have been pledged as security for liabilities of the charity.

Note 14 is continued on page 34

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

14 Tangible fixed assets, continued from page 33

The freehold properties and leasehold property were valued on 31 March 2022 by an independent valuer, Bramley's LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the properties included at valuation is as follows;

	Freehold property £	Leasehold Property £	Total £
Cost	453,456	194,041	647,497
Accumulated depreciation	9,222	8,788	18,010
	444,234	185,253	629,487

**15 Investments held as fixed assets
Charity only**

	Leasehold investment property £	Subsidiary undertakings £	Total £
Cost			
At 1 April 2021	150,000	-	150,000
Transfers	(150,000)	-	(150,000)
Revaluation	-	-	-
Additions	-	-	-
At 31 March 2022	-	-	-
Net book value			
At 1 April 2021	150,000	-	150,000
At 31 March 2022	-	-	-

Note 15 is continued on page 35

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

**15 Investments held as fixed assets, continued from page 34
Charity only**

Details of undertakings

In the opinion of the trustees, the aggregate value of the company's investment in the subsidiary undertaking is not less than the amount included in the balance sheet

Undertaking	Business 900 Community Interest Company
Company number	06913644
Holding	-
Proportion of voting rights and shares held	100%
Principle activity	Cleaning services
Aggregate assets, liabilities and funds	15,712
Trading summary:	
- Turnover	120,499
- Expenditure	129,455
- Loss	(8,956)

The undertaking has the following registered office address :-

4 Ashbrooke Business Park
Parkside Lane
Leeds
West Yorkshire
LS11 5SF

16 Debtors

	2022		2021	
	Charity £	Consol'd	Charity £	Consol'd £
Due within one year:				
Net rents in arrears	330,033	330,033	264,100	264,100
Amounts owed by group undertaking	35,767	-	30,944	-
Other debtors	44,907	74,127	128,115	164,669
Prepaid expenses	172,627	175,062	106,850	109,207
	<u>583,334</u>	<u>579,222</u>	<u>530,009</u>	<u>537,976</u>

The debtor balances of £583,334 (Charity) (2021: £530,009) have been pledged as security for liabilities of the charity.

Notes to financial statements for the year ended 31 March 2022.**17 Creditors**

	2022		2021	
	Charity £	Consol'd £	Charity £	Consol'd £
Amounts falling due within one year:				
Bank loans	10,730	10,730	10,560	10,560
Obligations under finance leases	16,320	16,320	16,320	16,320
Hire purchase creditors	-	4,810	-	2,349
Amounts owed to group undertaking	2,842	-	18,146	-
Trade creditors	260,942	262,533	191,677	192,773
Other creditors	101,808	106,447	130,944	133,811
Social security and other taxes	63,111	65,193	58,888	65,083
Accruals and deferred income	217,441	220,645	156,415	164,556
	673,194	686,678	582,950	585,452

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £39,168.

The hire purchase is secured by the hire purchase company's title to the assets financed, which have a carrying value of £11,758.

18 Creditors - Amounts falling due after one year:

	2022		2021	
	Charity £	Consol'd £	Charity £	Consol'd £
Bank loans	127,143	127,143	137,879	137,879
Finance loan creditors	14,734	14,734	32,640	30,973
Hire purchase creditors	-	8,512	-	5,318
	141,877	150,389	170,519	174,170

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £39,168.

The hire purchase is secured by the hire purchase company's title to the assets financed, which have a carrying value of £11,758.

The bank loans include £91,330 (2021: £97,400) which fall due after five years and are repayable by instalments.

Notes to financial statements for the year ended 31 March 2022

19 Restricted funds

Charity and consolidated	Balance 01.04.2021	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2022
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	57,237	-	-	-	57,237
(viii) Computer/IT Fund	41,950	-	-	-	41,950
	303,743	-	-	-	303,743
	Balance 01.04.2020	Incoming Funds	Outgoing Funds	Gains, losses and transfers	Balance 31.03.2021
	£	£	£	£	£
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	47,720	9,517	-	-	57,237
(viii) Computer/IT Fund	-	39,826	-	2,124	41,950
	252,276	49,343	-	2,124	303,743

- (i) The **Dewsbury Road Day Centre Fund** is created to account for capital grants received from the Community Fund and Leeds City Council, in connection with the construction and equipping of the new Day Centre premises.
- (ii) The **Sahara Nationality Fund** is to provide funding for the assistance of women with problems relating to their nationality and immigration status.
- (iii) The **Sahara Women Without Recourse Fund** is used to assist women without recourse to any state benefits and/ or those women whose applications for state benefits are still pending.
- (iv) The **Sinclair DAT Fund** relates to a grant received from 'Drugs Action Team' to pay towards the cost of setting up new offices for the Sinclair scheme.
- (v) The **LCC Refurbishment Fund** has been set up to provide funds for the refurbishment and setting up of properties to be acquired from Leeds City Council.
- (vi) The **Tempest Road Development Fund** is created to account for a donation received from Harrogate Grammar School to assist in the refurbishment of 12 Tempest Road.
- (vii) The **Right to Buy Fund** is created to account for grants received to assist with the purchase of new social housing projects.
- (viii) The **Computer / IT Fund** is created to account for funding received from the Lottery and BT to assist with IT upgrades.

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

20 Unrestricted Funds
Charity only

	Balance 01.04.2021	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2022
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,407	-	(335)	-	-	3,072
(e) Scheme Funding	48,265	26,536	(20,135)	-	-	54,666
(f) Registered Provider Application Fund	-	-	(15,100)	-	50,000	34,900
	52,852	26,536	(35,570)	-	50,000	93,818
General Funds	493,090	6,173,769	(6,213,500)	39,050	(50,000)	442,409
Revaluation reserve	-	-	-	-	-	-
	545,942	6,200,305	(6,249,070)	39,050	-	536,227
Pension reserve	(808,000)	-	(91,000)	401,000	-	(498,000)
	(262,058)	6,200,305	(6,340,070)	440,050	-	38,227
	Balance 01.04.2020	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2021
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,770	-	(363)	-	-	3,407
(e) Scheme Funding	33,998	23,881	(7,490)	-	(2,124)	48,265
	38,948	23,881	(7,853)	-	(2,124)	52,852
General Funds	367,720	5,499,204	(5,380,615)	6,781	-	493,090
Revaluation reserve	-	-	-	-	-	-
	406,668	5,523,085	(5,388,468)	6,781	(2,124)	545,942
Pension reserve	(627,000)	-	(71,000)	(110,000)	-	(808,000)
	(220,332)	5,523,085	(5,459,468)	(103,219)	(2,124)	(262,058)

Unrestricted Funds
Consolidated

	Balance 01.04.2021	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2022
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,407	-	(335)	-	-	3,072
(e) Scheme Funding	48,265	26,536	(20,135)	-	-	54,666
(f) Registered Provider Application Fund	-	-	(15,100)	-	50,000	34,900
	52,852	26,536	(35,570)	-	50,000	93,818
General Funds	515,548	6,224,305	(6,270,283)	39,050	(50,000)	458,620
	568,400	6,250,841	(6,305,853)	39,050	-	552,438
Pension reserve	(808,000)	-	(91,000)	401,000	-	(498,000)
	(239,600)	6,250,841	(6,396,853)	440,050	-	54,438

Note 20 is continued on page 39

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

20 Unrestricted funds, continued from page 38

	Balance 01.04.2020	Incoming Funds	Outgoing Funds	Gains and losses	Transfers	Balance 31.03.2021
	£	£	£	£	£	£
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,770	-	(363)	-	-	3,407
(e) Scheme Funding	33,998	23,881	(7,490)	-	(2,124)	48,265
	38,948	23,881	(7,853)	-	(2,124)	52,852
General Funds	408,972	5,666,371	(5,578,734)	18,939	-	515,548
	447,920	5,690,252	(5,586,587)	18,939	(2,124)	568,400
Pension reserve	(627,000)	-	(71,000)	(110,000)	-	(808,000)
	(179,080)	5,690,252	(5,657,587)	(91,061)	(2,124)	(239,600)

- (a) **General Maintenance Fund** is designated to provide for the cost of property and cyclical maintenance, for which the company may be liable under management agreements with third parties.
- (b) **Furniture/Renewals Fund** is designated to cover the cost of essential refurbishment of properties including a general furniture provision.
- (c) **Redundancy Fund** is designated to provide towards redundancy costs in the event of a staff restructure or reduction in staffing numbers.
- (d) **Welfare Fund** is designated to cover exceptional payments, made within the established policy of the company, to residents who are in financial difficulty.
- (e) **Scheme Funding** the net funds of schemes that are designated to be utilised by those schemes whose efforts raised those funds.
- (f) **Registered Provider Application Fund** is designed to cover the cost of assistance in the application for the company to achieve Registered Provider of Social Housing status.

Pension Reserve

The deficit in the Local Government Pension Scheme of £498,000 is recognised in the balance sheet. However, due to the long term nature of the deficit it is not expected to have any material impact on the viability of the charity

21 Analysis of net assets between funds excluding pension liability
Charity only

	General Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Fixed assets	659,285	170,000	829,285	760,670
Current assets	692,013	133,743	825,756	842,484
Creditors, falling due within one year	(673,194)	-	(673,194)	(582,950)
Creditors, falling due more than one year	(141,877)	-	(141,877)	(170,519)
Net Assets	536,227	303,743	839,970	849,685

Note 21 is continued on page 40

Notes to financial statements for the year ended 31 March 2022.**21 Analysis of net assets between funds excluding pension liability, continued from page 39**

Consolidated				
	General Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Fixed assets	671,276	170,000	841,276	766,448
Current assets	718,229	133,743	851,972	865,317
Creditors, falling due within one year	(686,678)		(686,678)	(585,452)
Creditors, falling due more than one year	(150,389)		(150,389)	(174,170)
Net Assets	552,438	303,743	856,181	872,143

22 Charitable status

The company is a registered charity no 515300 and is exempt from income tax and corporation tax. The company is a limited company by guarantee and has no share capital. In the event of the winding up of the company, the liability of members is limited to a maximum of £1 each.

23 Commitments

At 31 March 2022 the company had future minimum operating leases payments as follows:

	2022	2021
	£	£
Within one year	49,096	49,096
Between one and five years	75,145	124,241
Over five years	-	-
	124,241	173,337

24 Related party transaction

The company has taken advantage under FRS 102 not to disclose details of its transactions of its subsidiary.

During the year, M White charged the charitable company £10,000 (2021: £5,300) in respect of consultancy services.

	2022	2021
	£	£
Key management personnel compensation	147,031	144,687

Notes to financial statements for the year ended 31 March 2022.**25 Reconciliation of net expenditure to net cash flow from operating activities**

	2022	2021
	£	£
Net (expenditure) / income for the year	(146,012)	82,008
Pension scheme adjustment	91,000	71,000
Interest paid	10,645	7,630
Depreciation and amortisation charges	54,691	24,658
Corporation tax	-	2,118
(Increase) in debtors	(41,246)	(89,570)
Increase in creditors	100,713	142,998
	<u>69,791</u>	<u>240,842</u>

26 Analysis of changes in net debt

	01.04.2021	Net cash flows	Non cash movements	31.03.2022
	£	£	£	£
Cash	327,341	(54,591)	-	272,750
Debt due within one year	(29,229)	(2,631)	-	(31,860)
Debt due after one year	(174,170)	34,681	(10,900)	(150,389)
	<u>123,942</u>	<u>(22,541)</u>	<u>(10,900)</u>	<u>90,501</u>

27 Pensions

As explained at note 2.13 the company operates both a defined benefit pension scheme and a defined contribution pension scheme.

The company is a member of the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (LGPS). The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Funds Funding Strategy Statement. The last actuarial valuation was at 31 March 2019.

The Fund Administering Authority, City of Bradford Metropolitan Council, is responsible for the governance of the Fund.

The key assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:-

	2022	2021
	%	%
Discount rate for liabilities	2.70	2.10
Pension increases	3.00	2.70
Pension accounts revaluation rate	3.00	2.70
Salaries increases	4.25	3.95
CPI Inflation	3.00	2.70

Note 27 is continued on page 42

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

27 Pensions, continued from page 41

Mortality assumption

The mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

Males	2022	2021
Member aged 65 at accounting date	21.8	21.9
Member aged 45 at accounting date	22.5	22.6
Females		
Member aged 65 at accounting date	24.6	24.7
Member aged 45 at accounting date	25.7	25.8

The approximate split of the assets of the Fund is as set out below:-

	2022	2021
	%	%
Equities	79.8	79.7
Property	4.0	3.8
Government bonds	7.4	8.3
Corporate bonds	4.8	4.6
Cash	2.9	2.0
Other	1.1	1.6
	<u>100.0</u>	<u>100.0</u>

The actual returns on assets are set out below:-

	2022	2021
	£	£
Interest income on assets	46,000	41,000
Gains on assets	188,000	378,000
	<u>234,000</u>	<u>419,000</u>

Note 27 is continued on page 43

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

27 Pensions, continued from page 42

The changes in the fair values of the assets were:-

	2022 £	2021 £
Opening fair value of assets	2,178,000	1,841,000
Interest income on assets	46,000	41,000
Re-measurement gains on assets	188,000	378,000
Employer's contributions	-	-
Members contributions	10,000	10,000
Net benefits paid out	(28,000)	(92,000)
	<u>2,394,000</u>	<u>2,178,000</u>
Closing fair value of assets	<u>2,394,000</u>	<u>2,178,000</u>

The changes in the present values of the defined benefit obligations:-

	2022 £	2021 £
Opening present value of liabilities	2,986,000	2,468,000
Current service costs	74,000	56,000
Interest expense on defined benefit obligations	63,000	56,000
Members contributions	10,000	10,000
Actuarial gains on liabilities	(213,000)	488,000
Net benefits paid out	(28,000)	(92,000)
	<u>2,892,000</u>	<u>2,986,000</u>
Closing present value of liabilities	<u>2,892,000</u>	<u>2,986,000</u>

The reconciliation of the funded status of the Fund to the balance sheet is as follows:-

	2022 £	2021 £
Fair value of assets	2,394,000	2,178,000
Present value of funded defined benefit obligations	2,892,000	2,986,000
	<u>(498,000)</u>	<u>(808,000)</u>
Net pension liability	<u>(498,000)</u>	<u>(808,000)</u>

The split of the liabilities at the last valuation between the various categories of members is as follows:-

Active members	46%
Deferred Pensioners	25%
Pensioners	29%

Note 27 is continued on page 44

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

27 Pensions, continued from page 43

The pension costs recognised in the statement of financial activities are made up as follows:-

	2022 £	2021 £
Operating Costs :-		
Current service cost	74,000	56,000
Finance costs :-		
Interest costs on pension liabilities	17,000	15,000
	<u>91,000</u>	<u>71,000</u>
Actuarial (gains)/losses	(401,000)	110,000
	<u>(310,000)</u>	<u>181,000</u>

Sensitivity Analysis :-

	Base figure £	+0.1% £	-0.1% £
Discount Rate			
Present value of total obligation	2,892,000	2,834,000	2,953,000
Projected service cost	70,000	68,000	72,000
Rate of increase in salaries			
Present value of total obligation	2,892,000	2,901,000	2,883,000
Projected service cost	70,000	70,000	70,000
Rate of increase in pensions			
Present value of total obligation	2,892,000	2,941,000	2,843,000
Projected service cost	70,000	72,000	68,000
Post retirement mortality assumption		-1 year	+1 year
Present value of total obligation	2,892,000	2,993,000	2,791,000
Projected service cost	70,000	73,000	67,000

TURNING LIVES AROUND LTD

England & Wales - Charity number 515300

Accounts

TURNING LIVES AROUND LTD
(A company limited by guarantee)

Trustees' Report and Financial Statements
For the year ended 31 March 2021

Charity number 515300
Company number 1790817

TURNING LIVES AROUND
(A company limited by guarantee)

Financial statements for the year ended 31 March 2021

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Legal and administrative information

Charity name	Turning Lives Around Ltd	
Charity registration number	515300	
Company registration number	1790817	
Registered office and Administration address	4 Ashbrooke Business Park Parkside Lane Leeds LS11 5SF	
Supervisory Board	Mr. I. Livingstone Mr. M. Ford Mr. D. Penman Mr. M. Meadowcroft Mrs. E. R. Tebbs-Ogutu Mr. R. Lamborn Mrs. M. A. Ballance Mr. M. White Mrs. S Jewitt Mrs. G. Laidler Mr. N. Mather (appointed 4 th May 2021)	Chair Vice Chair
Chief Executive	Ms. J Spencer	
Finance Director and Company Secretary	Mr. A D Marriott BA FCCA	
Auditors	Brown Butler Chartered Accountants Leigh House 28 – 32 St. Paul’s Street LEEDS LS1 2JT	
Bankers	Lloyds Bank plc PO Box 128 69 Albion Street LEEDS LS1 1YX	
Solicitors	Weightmans LLP 100 Old Hall Street Liverpool L3 9QJ	

Report of the Supervisory Board

The members of the Supervisory Board present their report and the audited financial statements for the year ended 31 March 2021.

Members of the Supervisory Board

The members of the Supervisory Board during the year were as follows:-

Mr. I. Livingstone	Mr. M. Ford
Mr. D. Penman	Mr. M. Meadowcroft
Mrs. E.R.Tebbs-Ogutu	Mr. R. Lamborn
Mrs. M. A. Ballance	Mr. M. White (appointed 5 th May 2020)
Mrs. S. Jewitt (appointed 3 rd November 2020)	Mrs. G. Laidler (appointed 2 nd February 2021)

Members of the Supervisory Board are directors of the company for the purpose of company law, and trustees for the purpose of charity law.

Accounts

The members of the Supervisory Board submit the audited financial statements of the group for the year ended 31 March 2021. As set out on page 16, the net incoming resources for the year amount to a surplus of £82,008 (a surplus of £56,851 in 2020) and are dealt with as shown in the statement of financial activities. General funds are reporting a surplus for the year of £16,637. Restricted funds showed a surplus for the year of £51,467. Designated funds showed a surplus for the year of £13,904.

Impact Statement

As a result of the company having to comply with the requirements of FRS102 regarding Retirement Benefits within the financial statements, we are required to report the pension liabilities for the legacy staff from Leeds City Council that are members of the West Yorkshire Pension Fund (WYPF). The WYPF scheme is presently reporting a deficit, however, due to the long term nature of pensions this deficit is understood by the regulatory bodies such as the Charities Commission to have little or no impact on the viability of the charity.

Status

Turning Lives Around is a company limited by guarantee and has no share capital. At 31 March 2021, there were 27 members (2020 - 29), each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the winding up of the company. The company is a registered charity number 515300.

The company has two wholly owned subsidiaries Flowerpots Day Nursery Limited and Business 900 Community Interest Company, both subsidiaries results are consolidated in the financial statements.

The company is governed by its Memorandum and Articles of Association which outlines the objects and powers of the charitable company. Under the company's Articles of Association, one third of the members of the Supervisory Board retires by rotation at the AGM and are eligible for re-election.

Report of the Supervisory Board (continued)

Governing body – Skills of Supervisory Board

The charity's work focuses upon accommodating and supporting vulnerable homeless people. The Supervisory Board seeks to ensure that the needs of the service users are appropriately reflected through the diversity of membership. To enhance the potential pool of trustees, the charity has, through selective advertising, sought to identify potential trustees.

The more traditional business skills are well represented on the Supervisory Board. In an effort to maintain this broad skill mix, members of the Supervisory Board are requested to provide a list of their skills (and update it each year). In the event of particular skills being lost due to retirement, the charity will seek to recruit new members to the Board possessing those skills.

Pay and remuneration of key management personnel is set by reviewing the market rates for those positions and also to compare rates with competitors in the same locality and sector.

Trustee induction and training

New trustees are encouraged to attend an induction programme, which includes meetings with the Chief Executive (explanation of operational procedures) and Finance Director (explanation of budgets and accounts). This would be followed by visits to each of the charity's schemes.

Operational Structure

TLA has a Supervisory Board of up to seven members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has seven members from a variety of professional backgrounds, relevant to the work of the charity. The Secretary also sits on the Board but has no voting rights. The Supervisory Board is supported by an Executive Board that meets monthly.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the Chief Executive and Finance Director. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Senior Managers who report directly to the Chief Executive, have responsibility for day-to-day operational care of the charity, individual supervision of the staff team and also for ensuring that the teams continue to develop their skills and working standards in line with good practice.

Insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect the directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £5m on any claim. It is not possible to quantify the directors and officers indemnity element from the overall cost of the commercial insurance policy. The cost of this insurance forms part of the total insurance cost.

Objectives and Activities

The charity's objectives are:

- To relieve poverty, sickness, infirmity, in old age in particular, but not exclusively by means of a provision of accommodation and the provision of advice and counseling.
- The advancement of education, including by (but not limited to) the provision of advice and training and advancing the educational development and care of children especially those under the age of five and advancing the education of those responsible for their day to day care.

Report of the Supervisory Board (continued)

Activities

The principal activities of Turning Lives Around during the year continued to be the provision of supported housing for single homeless people and day/community care facilities.

Turning Lives Around continues to provide supported housing and floating support services throughout the cities of Leeds and Wakefield, for which demand remains high.

The principle activity of the charity's subsidiary, Flowerpots Day Nursery Limited, was the provision of high quality child care and learning facilities in the south of Leeds.

Flowerpots Day Nursery Limited ceased to operate after 31 December 2020.

The principal activity of the charity's subsidiary, Business 900 Community Interest Company is the provision of cleaning services.

During the year no material goods or services were donated to the charity to further its objectives or activities.

The strategies employed to assist the charity to meet its objectives include the following:

- Providing a range of services that are reflective of relevant quality standards and addressing the potential issues related to drug and alcohol misuse.
- Providing a floating support service to men and women at risk of losing their tenancies as a result of drug and alcohol abuse.
- Providing accommodation with support, advice and basic skills training for young people.
- Providing accommodation and support to men and women who display a number of long standing support needs, which prevent them from living safely and independently within the community.

Partner Agencies

Accent Group	Leeds Federated Housing Association
Children in Vulnerable Accommodation (CHIVA)	Leeds Metropolitan University
Connect Housing	Leeds University
Drugs & Offender Management Unit (DOMU)	Leeds Youth Offending Team (YOT)
Huddersfield University	Places for People
Leeds Children's Fund	Sanctuary Housing Association
West Yorkshire Probation Service	Foundation UK
Gipsil	Lota Properties
Unity Homes	V Demir Homes
Touchstone	Invest North Ltd
Leeds City Council	Wakefield City Council

Financial Review and Funding Sources

As everyone will be aware the 2020-2021 year has been a very challenging and busy year to say the least. All our colleagues should be congratulated for their sterling efforts and diligence in continuing to support all the vulnerable parties that have come through TLA's doors.

All our services have performed very well during the year and we have managed to successfully get through the year in a sound financial position.

The future still looks challenging, however, the organization continues to look at other funding opportunities from all regions in Yorkshire. The organization will also continue with fundraising activities aimed at the private sector, philanthropic organizations and individuals.

Report of the Supervisory Board (continued)

The Flowerpots Day Nursery closed in December 2020 and the Financial Statements year ended 31 March 2021 includes the results for the nursery up to this date.

The stand-alone SOFA of the main charity made a surplus of £9,741 in the year, the subsidiary Flowerpots Day Nursery Limited made a loss in the year of £37,541, whilst the subsidiary Business 900 Community Interest Company made a profit of £6,590. See the reserves policy set out below for the impact this has had on the charity's reserves.

Principal Funding Sources

Leeds City Council Neighbourhoods and Housing Department
 Leeds City Council Social Services Department
 Wakefield City Council Housing Sustainment Pathway

Capital Funding

The Community Fund (Potterdale Community Resource Centre)
 Right to Buy Replacement Program Funding

Other Charity Funding

- The Clothworkers Foundation
- Henry Smith Charity
- Leeds Womens Aid
- J Paul Getty Trust Charitable Trust
- Huddersfield University
- Leeds Community Foundation
- Leeds Mind
- The Wilmington Trust

Achievements and Performance

The Services

The main area of charitable activities continues to be provision of accommodation with support and outreach work for vulnerable homeless people. TLA works across all the geographical locations in Leeds and Wakefield.

TLA provides housing and support services to people struggling to cope with a broad range of issues including mental health, learning difficulties, drug and alcohol abuse, domestic violence, refugees and offending integration. Our aim is to support people in developing the skills, knowledge and confidence necessary to live successfully and safely in their own homes and to engage effectively within their community.

Every year we regularly seek the views of all our stakeholders by means of a questionnaire. The returned questionnaires are analysed and any suggested improvements to our services are addressed. Performance in all contracts has been successful and the charity continues to strive for and safeguard healthy reserves.

Measures or indicators to assess performance include: monthly Management Accounts compared to budgets, cash flow management and forecasts, void performance by service and for the organisation, planned outcomes, client outcomes, complaints and incidents, utilisation levels of properties and staff attendance.

Report of the Supervisory Board (continued)

Safeguarding

TLA continues to place the Safeguarding of adults and children central to all the work we do. We have highly experienced and well trained Senior Managers who lead on Safeguarding issues and all staff regularly receives Safeguarding training.

Future Plans

Following the closure of the Flowerpots Day Nursery, the charity plans to dissolve the subsidiary Flowerpots Day Nursery Limited in due course, otherwise the charity plans to continue all other existing activities and is committed to continuous improvement in all the services. TLA plans to further its work in related areas and to extend its services further into different regions within Yorkshire. TLA seeks to advance its commitment to a social enterprise and now operates a work-focused initiative to employ and train existing service users.

Fixed assets

Movements in fixed assets are shown in note 15 in the financial statements.

Reserves policy

In line with the Charity Commission guidelines the Members of the Supervisory Board have formulated a reserves policy to ensure that a minimum level of reserves is maintained to ensure that Turning Lives Around can continue to provide a level of service having regard to possible future fluctuations in both income and expenditure.

As set out and explained in note 21, the charity has a number of designated reserves to meet specific expenditure as well as an unrestricted general reserve.

These reserves are set out below;

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Restricted Funds (note 20)	303,743	303,743	252,276	252,276
Designated Reserves (note 21)	52,852	52,852	38,948	38,948
General Reserves	493,090	515,548	367,720	408,972
Total before pension liability	849,685	872,143	658,944	700,196
Pension Reserve	(808,000)	(808,000)	(627,000)	(627,000)
	41,685	64,143	31,944	73,196

The deficit in the Local Government Pension Scheme of £808,000 is recognised in the balance sheet. However, due to the long term nature of the deficit it is not expected to have any material impact on the viability of the charity.

Report of the Supervisory Board (continued)

Risk management

The Supervisory Board has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a forward plan which has allowed and will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charitable Company. These procedures were reviewed during the year to ensure that they still meet the needs of the Charity and also to identify new areas in which the Charity could contribute to the disadvantaged of the city.

Statement of the responsibilities of the members of the Supervisory Board

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Report of the Supervisory Board (continued)

Statement as to disclosure of information to auditors

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution proposing that Brown Butler Chartered Accountants be reappointed as auditors of the charity will be put to the Annual General Meeting.

Public benefit

The Supervisory Board have had regard to the Charity Commission's guidance on public benefit and confirm that this guidance forms the basis of planning decisions at both strategic and operational levels.

The report of the members of the Supervisory Board was approved on 2nd Nov 2021 and signed on their behalf by:



Mr. A D Marriott BA FCCA
Secretary

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Opinion

We have audited the financial statements of Turning Lives Around Ltd (the "charitable parent company") and its subsidiaries (the "group") for the year ended 31 March 2021, which comprise the Consolidated and Company Statement of Financial Activities, the Consolidated and Company Balance Sheets, 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 charitable parent company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006;
- have been properly prepared in accordance with the Charities SORP FRS102 (October 2019) and the Charities Act 2011.

Basis of 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 and charitable parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charitable parent 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.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Other matters

The prior period amounts relating to Business 900 Community Interest Company were not audited.

Other information

The other information comprises the information included in the trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the annual report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's 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.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purpose 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 group's and charitable parent 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 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 auditor under the Companies Act 2006 and report in accordance with this Act.

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.

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

Capability of the audit in detecting irregularities, including fraud

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 key laws and regulations we have considered in this context included the Companies Act 2006, the Charities Act 2011, pension and tax legislation together with the Charities SORP FRS102 (October 2019). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's and charitable parent company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the trustees and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the group's and charitable parent company's regulatory and legal correspondence and discussed with the trustees and other management any known or suspected instances of fraud or non-compliance with laws and regulations.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Capability of the audit in detecting irregularities, including fraud - continued

- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements. We also discussed related party relationships and transactions involving them.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

Use of our report

This report is made solely to the charitable parent 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 parent 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 parent company and the charitable parent company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Dearnley (Senior Statutory Auditor)
 For and on behalf of Brown Butler
 Chartered Accountants and Statutory Auditor
 Leigh House
 28-32 St Paul's Street
 Leeds
 LS1 2JT

S. Navent 2021

Charity only Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2021

	Notes	Unrestricted			TOTAL	TOTAL
		General Funds	Designated Funds	Restricted Funds	2021	2020
		£	£	£	£	£
INCOME FROM :						
Donations and legacies	4	59,783	23,881		83,664	22,172
Charitable activities:						
Contract funding	5	2,249,647		49,343	2,298,990	2,117,006
Income from rent	5	3,174,310			3,174,310	2,899,130
Investments	7	15,464			15,464	24,000
Total		5,499,204	23,881	49,343	5,572,428	5,062,308
EXPENDITURE ON :						
Raising funds	8	47,633			47,633	35,175
Charitable activities:						
Support Services	8	2,466,187	7,853		2,474,040	2,285,654
Housing Management	8	2,937,795			2,937,795	2,665,307
Other Charitable Services	8	-			-	-
Total		5,451,615	7,853	-	5,459,468	4,986,136
Net Income		47,589	16,028	49,343	112,960	76,172
Gross transfer between funds		-	(2,124)	2,124	-	-
Net Income		47,589	13,904	51,467	112,960	76,172
Other recognised gains & losses						
Gain/(loss) on revaluation of assets		18,939			18,939	(30,000)
Actuarial losses on defined benefit pension scheme		(110,000)			(110,000)	(28,000)
Exceptional Item						
Flowerpots Debtor Impairment		(12,158)			(12,158)	(54,624)
Net movement in Funds		(55,630)	13,904	51,467	9,741	(36,452)
Reconciliation of funds						
Funds at 1 April 2020		(259,280)	38,948	252,276	31,944	68,396
Funds at 31 March 2021		(314,910)	52,852	303,743	41,685	31,944

All the charitable company's activities derive from continuing operation during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Consolidated Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2021

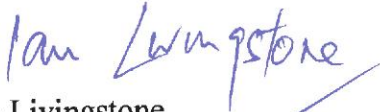
	Notes	Unrestricted		General Funds Total £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
		General Funds Continuing operations £	General Funds Discontinued operations £					
INCOME FROM :								
Donations and legacies	4	59,783		59,783	23,881		83,664	22,172
Charitable activities:								
Contract funding	5	2,249,647		2,249,647		49,343	2,298,990	2,117,006
Income from rent	5	3,174,310		3,174,310			3,174,310	2,899,130
Other trading activities	6	72,086	110,545	182,631			182,631	300,873
Total		5,555,826	110,545	5,666,371	23,881	49,343	5,739,595	5,339,181
EXPENDITURE ON :								
Raising funds	8	150,889	160,401	311,290			311,290	393,450
Charitable activities:								
Support Services	8	2,466,756		2,466,756	7,853		2,474,609	2,285,654
Housing Management	8	2,869,570		2,869,570			2,869,570	2,602,508
Other Charitable Services	8	-					-	-
Other costs								
Corporation Tax	8, 11	2,118		2,118			2,118	718
Total		5,489,333	160,401	5,649,734	7,853	-	5,657,587	5,282,330
Net Income		66,493	(49,856)	16,637	16,028	49,343	82,008	56,851
Gross transfer between funds		-			(2,124)	2,124	-	-
Net Income		66,493	(49,856)	16,637	13,904	51,467	82,008	56,851
Other recognised gains & losses								
(Loss)/gain on revaluation of assets				18,939			18,939	(30,000)
Actuarial losses on defined benefit pension scheme				(110,000)			(110,000)	(28,000)
Net movement in Funds				(74,424)	13,904	51,467	(9,053)	(1,149)
Reconciliation of funds								
Funds at 1 April 2020				(218,028)	38,948	252,276	73,196	74,345
Funds at 31 March 2021				(292,452)	52,852	303,743	64,143	73,196

Other than the discontinued operations of 2021, all the charitable company's activities derive from continuing operation during the above financial periods.

Company Number 1790817
Charity only Balance sheet as at 31 March 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Intangible assets	14	4,865	7,297
Tangible assets	15	605,805	483,018
Investments	16	<u>150,000</u>	<u>155,000</u>
		760,670	645,315
CURRENT ASSETS			
Debtors	17	530,009	461,068
Cash at bank and in hand		<u>312,475</u>	<u>120,030</u>
		842,484	581,098
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	18	<u>582,950</u>	<u>420,062</u>
		582,950	420,062
NET CURRENT ASSETS		<u>259,534</u>	<u>161,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,020,204	806,351
Creditors – amounts falling due after one year	19	170,519	147,407
NET ASSETS excluding pension liability		<u>849,685</u>	<u>658,944</u>
Defined pension scheme liability	27	808,000	627,000
NET ASSETS incl pension liability		<u>41,685</u>	<u>31,944</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	20	303,743	252,276
Unrestricted Funds	21	545,942	406,668
Pension Reserve	21	(808,000)	(627,000)
Total Funds		<u>41,685</u>	<u>31,944</u>

These financial statements were approved and authorised for issue by the Supervisory Board on 21/11/2021 and signed on its behalf by :-


Ian Livingstone

The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Consolidated Balance sheet as at 31 March 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Intangible assets	14	4,865	7,297
Tangible assets	15	<u>761,583</u>	<u>648,496</u>
		766,448	655,793
CURRENT ASSETS			
Debtors	17	537,976	448,406
Cash at bank and in hand		<u>327,341</u>	<u>172,167</u>
		865,317	620,573
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	18	<u>585,452</u>	<u>423,445</u>
		585,452	423,445
NET CURRENT ASSETS		<u>279,865</u>	<u>197,128</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,046,313	852,921
Creditors – amounts falling due after one year	19	174,170	152,725
NET ASSETS excluding pension liability		<u>872,143</u>	<u>700,196</u>
Defined pension scheme liability	27	808,000	627,000
NET ASSETS incl pension liability		<u>64,143</u>	<u>73,196</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	20	303,743	252,276
Unrestricted Funds	21	568,400	447,920
Pension Reserve	21	(808,000)	(627,000)
Total Funds		<u>64,143</u>	<u>73,196</u>

These financial statements were approved and authorised for issue by the Supervisory Board on ~~2nd~~ **NOV** 2021 and signed on its behalf by :-


Ian Livingstone

Consolidated cash flow statement for the year ended 31 March 2021

	Note	2021 £	2020 £
Net cash flow from operating activities	26	240,842	80,879
Corporation tax		-	(718)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		<u>(67,414)</u>	<u>(199,325)</u>
Net cash flow from investing activities		<u>(67,414)</u>	<u>(199,325)</u>
		173,428	(119,164)
Cash flow from financing activities			
New loans		-	122,000
Loan repayments		(8,957)	(6,662)
Repayment of finance leases		(1,667)	(2,000)
Interest paid		<u>(7,630)</u>	<u>(4,185)</u>
Net cash flow from financing activities		<u>(18,254)</u>	<u>109,153</u>
Net increase / (reduction) in cash		155,174	(10,011)
Cash at 1 April 2020		<u>172,167</u>	<u>182,178</u>
Cash at 31 March 2021		<u>327,341</u>	<u>172,167</u>

The notes on pages 20 to 44 form part of these financial statements.

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

1. General information

Turning Lives Around is a private company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

The charity is incorporated in England & Wales, is registered as a charity with the Charity Commissioners and is also a public benefit entity as defined by Financial Reporting Standard 102 the “Financial Reporting Standard Applicable in the UK and Republic of Ireland” (FRS 102).

Its registered office and principal place of business is:-

4 Ashbrooke Business Park
Parkside Lane
Leeds
LS11 5SF

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102 (2018), the 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) (SORP (FRS 102) issued October 2019) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Funds

Unrestricted funds 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

2.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and these require a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Grants received for the acquisition of fixed assets are accounted for as restricted funds. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned. Other grants are treated as income and, where applicable, they are accounted for as restricted funds. Where the grant covers future accounting periods, the amount relating to future periods is deferred and recognised in the correct period.

2.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

2.5 Support costs allocation

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 8.

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

2.6 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of amortisation are as follows:-

Asset class	Amortisation method and rate
Website	20% straight line basis

2.7 Tangible fixed assets

Freehold property and leasehold property are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Other tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Other than freehold, leasehold and investment properties, depreciation is provided on tangible fixed assets on a straight line basis, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

Leasehold improvements	- 5 years
Furniture and equipment	- 2-10 years

2.8 Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the SoFA. The reversal of an impairment loss is recognised immediately in the SoFA.

2.9 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, if fair value can be measured reliably, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

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

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

2.12 Leases

Fixed assets acquired under finance lease contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors.

Interest attributable to each period is charged to the profit and loss account.

Operating lease rentals are charged to the profit and loss account as incurred.

2.13 Pensions

The charity operates a defined benefit pension scheme with the Local Government Pension Scheme (LGPS) and a defined contribution pension scheme. The assets of both schemes are held in separate trustee administered funds and those in the LGPS are subject to actuarial valuation.

The assets and liabilities of the LGPS are measured using the roll forward approach. This approach is a method of approximately calculating pension scheme assets and liabilities by making adjustments to the results of the last full actuarial valuation exercise. The last full actuarial valuation was performed at 31 March 2019 and is due to be performed again in 2022. The amounts charged to the SoFA are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the SoFA and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The pension costs charged to the SoFA regarding the defined contribution scheme are the premiums payable in respect of the accounting period.

2.14 Taxation

The charity considers that it meets the definition of a charitable company for UK corporation tax purposes and is accordingly potentially exempt from tax in respect of its income and gains.

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

2.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2.16 Critical accounting estimates and assumption

The charity makes estimates and assumptions concerning the future and the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The main areas of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to the estimates used in valuing the Local Government Pension Scheme (LGPS) and the properties held at fair value.

The present value of the LGPS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions assets and liabilities at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The carrying amount of the properties held at fair value are disclosed in notes 15 and 16.

3 Prior year adjustment

During the year it was discovered that due to a change in the directorships of Business 900 Community Interest Company (Business 900 CIC), in February 2019, Business 900 CIC became a subsidiary. As a result of this finding the consolidated comparatives of Turning Lives Around Limited have been restated accordingly.

4 Donations and legacies Charity and Consolidated

	Unrestricted		Restricted	Total	Total
	General	Designated		2021	2020
	£	£	£	£	£
Donations	-	950	-	950	678
Job retention scheme grants	29,978	-	-	29,978	-
Other grants	29,805	22,415	-	52,220	11,924
Sundry income	-	516	-	516	9,570
	59,783	23,881	-	83,664	22,172

Income from donations and legacies in the year ended 31 March 2020 was £22,172 of which £5,000 was attributable to general funds and £17,172 attributable to designated funds.

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

5 Charitable activities Charity and Consolidated

Contract funding	Unrestricted			Total 2021 £	Total 2020 £
	General £	Designated £	Restricted £		
Leeds City Council Neighborhood's and Housing Strategy & Commissioning Wakefield City Council Housing Sustainment Pathway	1,776,072	-	-	1,776,072	1,513,775
Other grants	470,412	-	49,343	470,412	463,075
	3,163	-	-	52,506	140,156
	2,249,647	-	49,343	2,298,990	2,117,006

Income from contract funding in the year ended 31 March 2020 was £2,117,006 all of which was attributable to general funds.

Income from rent

Turning Lives Around provides accommodation for single homeless people. For the majority of residents their only financial support is state benefit. Turning Lives Around charges rents to its residents. The rate at which rent is charged is regulated by the housing associations that it works in partnership with.

	Unrestricted			Total 2021 £	Total 2020 £
	General £	Designated £	Restricted £		
Rent receivable	3,494,773	-	-	3,494,773	3,246,110
Voids	(292,113)	-	-	(292,113)	(312,267)
Bad debts written-off	(28,350)	-	-	(28,350)	(34,713)
	3,174,310	-	-	3,174,310	2,899,130

Income from rent in the year ended 31 March 2020 was £2,899,130 all of which was attributable to general funds.

6 Other trading activities Consolidated

	Unrestricted			Total 2021 £	Total 2020 £
	General £	Designated £	Restricted £		
Nursery income	110,545	-	-	110,545	200,150
Cleaning services	44,099	-	-	44,099	65,622
Grant income	27,987	-	-	27,987	35,101
	182,631	-	-	182,631	300,873

Other trading activities in the year ended 31 March 2020 was £300,873 all of which was attributable to general funds.

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

7 Income from investments
Charity only

	Unrestricted			Total	Total
	General	Designated	Restricted	2021	2020
	£	£	£	£	£
Rent from subsidiary entity	15,464	-	-	15,464	24,000
Bank interest received	-	-	-	-	-
	15,464	-	-	15,464	24,000

Income from investments in the year ended 31 March 2020 was £24,000 all of which was attributable to general funds.

8 Expenditure on
Charity only

	Unrestricted			Total	Total
	General	Designated	Restricted	2021	2020
	£	£	£	£	£
Raising funds					
<i>Costs re investment properties</i>	8,843	-	-	8,843	5,816
<i>Fund raising activities</i>	38,790	-	-	38,790	29,359
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	2,466,187	7,853	-	2,474,040	2,285,654
<i>Housing Management</i>	2,937,795	-	-	2,937,795	2,665,307
Other Charitable Activities	-	-	-	-	-
	5,451,615	7,853	-	5,459,468	4,986,136

Expenditure for the year ended 31 March 2020 was £4,986,136 of which £4,983,041 was attributable to general funds, £3,095 was attributable to designated reserves.

Governance Costs included within support costs

	2021	2020
	£	£
Audit and accountancy fees	10,560	10,320
Legal and professional fees	20,656	23,483
Annual general meeting costs	-	2,336
	31,216	36,139

CHARITY ONLY
NOTES ON THE ACCOUNTS - 31 MARCH 2021

8 EXPENDITURE ON:

BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS				OTHER CHARITABLE ACTIVITIES				FUND RAISING ACTIVITIES				TOTAL 2021	TOTAL 2020		
	SUPPORT SERVICES		HOUSING MANAGEMENT		DAY CARE		WATOTO		COMMUNITY INTEREST BROKERAGE		INVESTMENTS		FUND RAISING		TOTAL	TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Costs directly allocated to activities																
Staff costs	1,924,296	915,471	0	0	0	0	0	0	0	0	0	0	0	2,876,638	2,726,883	
Agency staff	108,725													108,725	44,654	
Recruitment	7,043	1,604												8,647	7,894	
Premises	1,747	1,110,795												1,112,542	954,795	
Insurance	9,716	42,035												51,751	45,914	
Maintenance	4,556	115,709												122,091	126,912	
Furniture & renewals		185,477												185,846	175,889	
Heat and light	3,274	103,825												108,226	72,767	
Travel	52,552	1,277												53,829	67,249	
Printing, Postage & Stationery	12,914	4,019												17,184	24,000	
Communications	40,182	4,356												44,739	49,647	
Cleaning	32,925	142,360												178,446	138,812	
Training & conferences	12,917	5,485												18,402	23,370	
Translation & Interpretation	1,484													1,484	1,658	
Loan interest		5,587												6,993	3,548	
Service users' welfare	11,025	52,167												63,364	48,386	
Finance lease interest														0	0	
Finance cost re LGPS Pension	15,000													15,000	12,000	
	2,238,356	2,690,167	0	0	0	0	0	0	0	0	8,513	36,871	45,384	4,973,907	4,524,378	
Support costs allocated to activities																
Office and finance staff costs	129,935	122,721												254,575	246,396	
Agency staff	9,640	9,105												18,745	9,862	
Books & publications	105	100												205	281	
Subscriptions	2,015	1,904												3,919	4,087	
Legal & professional	10,623	10,033												20,656	23,483	
Operating lease rentals	24,425	23,068												47,493	46,450	
Computer costs	19,475	18,394												37,869	43,484	
Depreciation	5,104	13,892												19,326	19,705	
Consultancy	26,405	24,940												51,345	27,987	
Audit and accountancy fees	5,431	5,129												10,560	10,320	
Bank charges	214	202												416	3,262	
Publicity	91	85												176	520	
Annual general meeting	0	0												0	2,336	
Refreshments	789	746												1,535	3,398	
Other costs	1,432	17,309												18,741	20,187	
	235,684	247,628	0	0	0	0	0	0	0	330	1,919	2,249	485,561	461,758		
	2,474,040	2,937,795	0	0	0	0	0	0	0	8,843	38,790	47,633	5,459,468	4,986,136		

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

8 Expenditure on, continued from page 27
Consolidated

	Unrestricted		Restricted	Total 2021	Total 2020
	General	Designated			
	£	£	£	£	£
Raising funds					
<i>Trading costs</i>	272,500	-	-	272,500	364,091
<i>Fund raising activities</i>	38,790	-	-	38,790	29,359
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	2,466,756	7,853	-	2,474,609	2,285,654
<i>Housing Management</i>	2,869,570	-	-	2,869,570	2,602,508
Other Charitable Activities	-	-	-	-	-
	5,647,616	7,853	-	5,655,469	5,281,612
Other costs					
<i>Corporation Tax</i>	2,118	-	-	2,118	718
	5,649,734	7,853	-	5,657,587	5,282,330

Expenditure for the year ended 31 March 2020 was £5,282,330 of which £5,279,235 was attributable to general funds, £3,095 was attributable to designated reserves.

Consolidated governance Costs included within support costs

	2021	2020
	£	£
Audit and accountancy fees	17,010	15,080
Legal and professional fees	21,349	24,075
Annual general meeting costs	-	2,336
	36,639	41,491

Note 8 is continued on page 29

CONSOLIDATED
NOTES ON THE ACCOUNTS - 31 MARCH 2021

8 EXPENDITURE ON :

	BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS			OTHER CHARITABLE ACTIVITIES			FUND RAISING ACTIVITIES			TOTAL 2021	TOTAL 2020
		SUPPORT SERVICES	HOUSING MANAGEMENT	DAY CARE	WATOTO	COMMUNITY INTEREST BROKERAGE	TOTAL	TRADING COSTS	FUND RAISING	TOTAL	£	£
		£	£	£	£	£	£	£	£	£	£	£
Costs directly allocated to activities												
Staff costs	Direct	1,924,296	915,471				180,325	36,871	217,196	3,056,963	2,971,218	
Agency staff	Direct	108,725					8,270		8,270	116,995	50,917	
Recruitment	Direct	7,043	1,604							8,647	7,894	
Premises	Direct	1,747	1,110,795				2,097	2,097	2,097	1,114,639	957,408	
Insurance	Direct	9,716	42,035				5,428	5,428	5,428	57,179	52,044	
Maintenance	Direct	4,556	104,810				3,050	3,050	3,050	112,416	110,815	
Furniture & renewals	Direct		185,477				369	369	369	185,846	175,889	
Heat and light	Direct	3,274	103,825				3,982	3,982	3,982	111,081	74,936	
Travel	Direct	52,552	1,277				7,485	7,485	7,485	61,314	76,926	
Printing, Postage & Stationery	Direct	12,914	4,019				89	89	89	17,022	25,066	
Communications	Direct	40,182	4,356				1,709	1,709	1,709	46,247	51,257	
Cleaning	Direct	32,925	84,570				4,055	4,055	4,055	121,550	94,976	
Training & conferences	Direct	12,917	5,485				905	905	905	19,307	23,619	
Translation & Interpretation	Direct	1,484								1,484	1,658	
Loan interest	Direct		5,587							1,406	6,993	
Service users' welfare	Direct	11,025	52,167				10,806	10,806	10,806	73,998	79,656	
Finance lease interest	Direct						637	637	637	637	637	
Finance cost re LGFPS Pension	Direct	15,000								15,000	12,000	
		2,238,356	2,621,478	0	0	0	230,613	36,871	267,484	5,127,318	4,770,464	
Support costs allocated to activities												
Office and finance staff costs	Pro-rata	129,935	122,721				28,267	1,919	30,186	282,842	274,314	
Agency staff	Pro-rata	9,640	9,105							18,745	9,862	
Books & publications	Pro-rata	105	100							205	281	
Subscriptions	Pro-rata	2,015	1,904				426	426	426	4,345	4,540	
Legal & professional	Pro-rata	10,623	10,033				693	693	693	21,349	24,075	
Operating lease rentals	Pro-rata	24,425	23,068							47,493	46,450	
Computer costs	Pro-rata	19,475	18,394				141	141	141	38,010	45,169	
Depreciation	Usage	5,062	13,779				5,617	5,617	5,617	24,458	33,966	
Consultancy	Pro-rata	26,405	24,940							51,345	27,987	
Audit and accountancy fees	Pro-rata	6,042	5,706				5,262	5,262	5,262	17,010	15,080	
Bank charges	Pro-rata	214	202							416	3,262	
Publicity	Pro-rata	91	85							176	520	
Annual general meeting	Pro-rata	0	0							0	2,336	
Refreshments	Pro-rata	789	746							1,535	3,398	
Other costs	Pro-rata	1,432	17,309				1,481	1,481	1,481	20,222	19,908	
		236,253	248,092	0	0	0	41,887	1,919	43,806	528,151	511,148	
		2,474,609	2,869,570	0	0	0	272,500	38,790	311,290	5,655,469	5,281,612	

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

9 Net incoming/(outgoing) resources for the year

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Depreciation	16,893	22,226	17,271	31,533
Amortisation	2,432	2,432	2,433	2,433
Operating lease charges	47,827	47,827	47,053	47,053
Interest on loans	6,993	7,630	3,548	4,185
Finance costs on LGPS Pension	15,000	15,000	12,000	12,000

10 Auditor's remuneration

	2021 £	2020 £
Audit fee in respect of the financial statements	8,715	8,300
Other fees payable to auditor:		
Audit of the charity's subsidiaries	4,790	2,510
Tax compliance services	360	180
Non audit services	1,335	1,980
	6,485	4,670

11 Tax on net income
Consolidated

	2021 £	2020 £
Current taxation		
UK Corporation tax	2,118	455
Adjustment to prior year	-	623
	2,118	1,078
Deferred taxation		
Origination and reversal of timing differences	-	(360)
Tax on net income	2,118	718

The tax charge for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are reconciled below:

	2021 £	2020 £
Net income before tax	82,008	56,851
Corporation tax at standard rate	15,582	10,802
Effects of net income exempt from taxation	(21,060)	(14,336)
Expenses not deductible for tax purposes	1,013	2,017
Effect of taxation losses	6,583	1,612
Adjustment to prior year	-	623
Total tax charge	2,118	718

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

12 Material transfers between funds

There were no material transfers between funds.

13 Staff costs and numbers

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Salaries and wages	2,746,887	2,940,097	2,602,876	2,858,014
Social Security costs	238,056	248,592	218,394	233,098
Pension contributions :-				
Contributions to defined contribution scheme	78,265	83,111	72,948	79,758
Operating costs re defined benefit scheme	56,000	56,000	76,000	76,000
	3,119,208	3,327,800	2,970,218	3,246,870

The above figures include £45,079 made in respect of redundancy and termination payments.
(2020: £Nil)

	2021 £	2020 £
Employees paid between £60,001 and £70,000	1	1

No remuneration was paid during the year to any member of the Supervisory Board, nor were there any expenses reimbursed to them.

In addition, during the year, M White charged the charitable company £5,300 (2020: £Nil) in respect of consultancy fees.

The average weekly number of employees during the year, analysed by function, was:

Number of employees	2021		2020	
	Charity	Consol'd	Charity	Consol'd
Support Services and Housing Management	108	108	112	112
Other Charitable Services	-	17	-	21
Support costs	9	9	9	9
	117	134	121	142

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

14 Intangible fixed assets

Parent and Consolidated

	Website £	Total £
Cost		
At 31 March 2020	12,162	12,162
At 31 March 2021	<u>12,162</u>	<u>12,162</u>
Amortisation		
At 31 March 2020	4,865	4,865
Charge for the year	2,432	2,432
At 31 March 2021	<u>7,297</u>	<u>7,297</u>
Net Book Value		
At 1 April 2020	<u>7,297</u>	<u>7,297</u>
At 31 March 2021	<u>4,865</u>	<u>4,865</u>

The amortisation charge for the year is included within the SoFA heading of expenditure on charitable activities.

The intangible fixed assets have been pledged as security for liabilities of the charity.

15 Tangible fixed assets

Charity only	Freehold Properties	Leasehold Improvements	Furniture & Equipment	Total
	£	£	£	£
Valuation / cost				
At 1 April 2020	438,061	10,977	430,264	879,302
Additions during year			115,741	115,741
Disposals during year			(105,480)	(105,480)
Revaluation	23,939			23,939
At 31 March 2021	<u>462,000</u>	<u>10,977</u>	<u>440,525</u>	<u>913,502</u>
Depreciation				
At 1 April 2020	-	10,977	385,307	396,284
Charge for year			16,893	16,893
Relating to disposals			(105,480)	(105,480)
At 31 March 2021	<u>-</u>	<u>10,977</u>	<u>296,720</u>	<u>307,697</u>
Net Book Value				
At 1 April 2020	<u>438,061</u>	<u>-</u>	<u>44,957</u>	<u>483,018</u>
At 31 March 2021	<u>462,000</u>	<u>-</u>	<u>143,805</u>	<u>605,805</u>

The tangible fixed assets have been pledged as security for liabilities of the charity.

The freehold properties were revalued on 31 March 2021 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method.

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

15 Tangible fixed assets, continued from page 32

The historical cost of the properties included at valuation is as follows:-

	Freehold properties £	Total £
Cost	453,456	453,456
Accumulated depreciation	7,492	7,492
	445,964	445,964

Consolidated

	Freehold Properties £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Valuation / cost						
At 1 April 2020	438,061	155,000	31,808	10,700	436,720	1,072,289
Additions during year					116,374	116,374
Disposals during year			(20,831)		(111,293)	(132,124)
Revaluation	23,939	(5,000)				18,939
At 31 March 2021	462,000	150,000	10,977	10,700	441,801	1,075,478
Depreciation						
At 1 April 2020	-	-	30,247	3,121	390,425	423,793
Charge for year			1,561	2,229	18,436	22,226
Relating to disposals			(20,831)		(111,293)	(132,124)
At 31 March 2021	-	-	10,977	5,350	297,568	313,895
Net Book Value						
At 1 April 2020	438,061	155,000	1,561	7,579	46,295	648,496
At 31 March 2021	462,000	150,000	-	5,350	144,233	761,583

The tangible fixed assets have been pledged as security for liabilities of the charity.

Note 15 is continued on page 34

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

15 Tangible fixed assets, continued from page 33

The freehold properties and leasehold property were revalued on 31 March 2021 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the properties included at valuation is as follows:

	Freehold property	Leasehold Property	Total
	£	£	£
Cost	453,456	185,091	638,547
Accumulated depreciation	7,492	7,222	14,714
	<u>445,964</u>	<u>177,869</u>	<u>623,833</u>

**16 Investments held as fixed assets
Charity only**

	Leasehold investment property	Subsidiary undertakings	Total
	£	£	£
Valuation			
At 1 April 2020	155,000	-	155,000
Revaluation	(5,000)	-	(5,000)
At 31 March 2021	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Net book value			
At 1 April 2020	155,000	-	155,000
At 31 March 2021	<u>150,000</u>	<u>-</u>	<u>150,000</u>

The leasehold property was revalued on 31 March 2021 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the property is £185,091. The leasehold investment property has been pledged as security for liabilities of the charity.

Note 16 is continued on page 35

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

**16 Investments held as fixed assets, continued from page 34
Charity only**

Details of undertakings

In the opinion of the trustees, the aggregate value of the company's investment in the subsidiary undertakings is not less than the amount included in the balance sheet.

Undertaking	Flowerpots Day Nursery Limited	Business 900 Community Interest Company
Company number	09308460	06913644
Holding	1 Ordinary share	-
Proportion of voting rights and shares held	100%	100%
Principal activity	Day nursery	Cleaning services
Aggregate assets, liabilities and funds	(67,294)	22,972
Trading summary:		
- Turnover	110,545	112,788
- Expenditure	148,086	106,198
- (Loss)/profit	(37,541)	6,590

Both undertakings have the same registered office address, being:-

4 Ashbrooke Business Park
Parkside Lane
Leeds
West Yorkshire
LS11 5SF

17 Debtors

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Due within one year:				
Net rents in arrears	264,100	264,100	259,374	259,374
Amounts owed by group undertaking	30,944	-	40,760	-
Other debtors	128,115	164,669	57,605	78,674
Prepaid expenses	106,850	109,207	103,329	110,358
	530,009	537,976	461,068	448,406

The debtor balances of £530,009 (Charity) (2020: £461,068) have been pledged as security for liabilities of the charity.

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

18 Creditors

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Amounts falling due within one year:				
Bank loans	10,560	10,560	9,989	9,989
Obligations under finance lease	16,320	18,669	-	2,349
Amounts owed to group undertaking	18,146	-	24,892	-
Trade creditors	191,677	192,773	87,394	88,548
Other creditors	130,944	133,811	108,713	114,102
Social security and other taxes	58,888	65,083	53,689	67,146
Accruals and deferred income	156,415	164,556	135,385	141,311
	582,950	585,452	420,062	423,445

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £48,960.

19 Creditors - Amounts falling due after one year:

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Bank loans	137,879	137,879	147,407	147,407
Finance loan creditor	32,640	36,291	-	5,318
	170,519	174,170	147,407	152,725

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £48,960.

The bank loans include £97,400 (2020: £105,490) which fall due after five years and are repayable by instalments.

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

20 Restricted funds

Charity and Consolidated

	Balance 01.04.2020 £	Incoming Funds £	Outgoing Funds £	Gains, losses and transfers £	Balance 31.03.2021 £
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	47,720	9,517	-	-	57,237
(viii) Computer/IT Fund	-	39,826	-	2,124	41,950
	252,276	49,343	-	2,124	303,743

	Balance 01.04.2019 £	Incoming Funds £	Outgoing Funds £	Gains, losses and transfers £	Balance 31.03.2020 £
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	-	47,720	-	-	47,720
	204,556	47,720	-	-	252,276

- (i) The **Dewsbury Road Day Centre Fund** is created to account for capital grants received from the Community Fund and Leeds City Council, in connection with the construction and equipping of the new Day Centre premises.
- (ii) The **Sahara Nationality Fund** is to provide funding for the assistance of women with problems relating to their nationality and immigration status.
- (iii) The **Sahara Women Without Recourse Fund** is used to assist women without recourse to any state benefits and/or those women whose applications for state benefits are still pending.
- (iv) The **Sinclair DAT Fund** relates to a grant received from 'Drugs Action Team' to pay towards the cost of setting up new offices for the Sinclair scheme.
- (v) The **LCC Refurbishment Fund** has been set up to provide funds for the refurbishment and setting up of properties to be acquired from Leeds City Council.
- (vi) The **Tempest Road Development Fund** is created to account for a donation received from Harrogate Grammar School to assist in the refurbishment of 12 Tempest Road.
- (vii) The **Right to Buy Fund** is created to account for grants received to assist with the purchase of new social housing projects.
- (viii) The **Computer / IT Fund** is created to account for funding received from the Lottery and BT to assist with IT upgrades.

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

**21 Unrestricted Funds
Charity only**

	Balance 01.04.2020 £	Incoming Funds £	Outgoing Funds £	Gains and Losses £	Transfers £	Balance 31.03.2021 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,770	-	(363)	-	-	3,407
(e) Scheme Funding	33,998	23,881	(7,490)	-	(2,124)	48,265
	38,948	23,881	(7,853)	-	(2,124)	52,852
General Funds	367,720	5,499,204	(5,380,615)	6,781	-	493,090
	406,668	5,523,085	(5,388,468)	6,781	(2,124)	545,942
Pension reserve	(627,000)	-	(71,000)	(110,000)	-	(808,000)
	(220,332)	5,523,085	(5,459,468)	(103,219)	(2,124)	(262,058)

	Balance 01.04.2019 £	Incoming Funds £	Outgoing Funds £	Gains and Losses £	Transfers £	Balance 31.03.2020 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,795	-	(25)	-	-	3,770
(e) Scheme Funding	19,896	17,172	(3,070)	-	-	33,998
	24,871	17,172	(3,095)	-	-	38,948
General Funds	349,343	4,997,416	(4,895,041)	(84,624)	626	367,720
Revaluation reserve	626	-	-	-	(626)	-
	374,840	5,014,588	(4,898,136)	(84,624)	-	406,668
Pension reserve	(511,000)	-	(88,000)	(28,000)	-	(627,000)
	(136,160)	5,014,588	(4,986,136)	(112,624)	-	(220,332)

**Unrestricted Funds
Consolidated**

	Balance 01.04.2020 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2021 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,770	-	(363)	-	-	3,407
(e) Scheme Funding	33,998	23,881	(7,490)	-	-	48,265
	38,948	23,881	(7,853)	-	(2,124)	52,852
General Funds	408,972	5,666,371	(5,578,734)	18,939	-	515,548
	447,920	5,690,252	(5,586,587)	18,939	(2,124)	568,400
Pension reserve	(627,000)	-	(71,000)	(110,000)	-	(808,000)
	(179,080)	5,690,252	(5,657,587)	(91,061)	(2,124)	(239,600)

Note 21 is continued on page 39

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

21 Unrestricted funds, continued from page 38

	Balance 01.04.2019 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2020 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,795	-	(25)	-	-	3,770
(e) Scheme Funding	19,896	17,172	(3,070)	-	-	33,998
	24,871	17,172	(3,095)	-	-	38,948
General Funds	355,292	5,274,289	(5,191,235)	(30,000)	626	408,972
Revaluation reserve	626	-	-	-	(626)	-
	380,789	5,291,461	(5,194,330)	(30,000)	-	447,920
Pension reserve	(511,000)	-	(88,000)	(28,000)	-	(627,000)
	(130,211)	5,291,461	(5,282,330)	(58,000)	-	(179,080)

- (a) **General Maintenance Fund** is designated to provide for the cost of property and cyclical maintenance, for which the company may be liable under management agreements with third parties.
- (b) **Furniture/Renewals Fund** is designated to cover the cost of essential refurbishment of properties including a general furniture provision.
- (c) **Redundancy Fund** is designated to provide towards redundancy costs in the event of a staff restructure or reduction in staffing numbers.
- (d) **Welfare Fund** is designated to cover exceptional payments, made within the established policy of the company, to residents who are in financial difficulty.
- (e) **Scheme Funding** the net funds of schemes that are designated to be utilised by those schemes whose efforts raised those funds.

Pension Reserve

The deficit in the Local Government Pension Scheme of £808,000 is recognised in the balance sheet. However, due to the long term nature of the deficit it is not expected to have any material impact on the viability of the charity

22 Analysis of net assets between funds excluding pension liability
Charity only

	General Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed assets	610,670	150,000	760,670	645,315
Current assets	688,741	153,743	842,484	581,098
Creditors, falling due within one year	(582,950)	-	(582,950)	(420,062)
Creditors, falling due more than one year	(170,519)	-	(170,519)	(147,407)
Net Assets	545,942	303,743	849,685	658,944

Note 22 is continued on page 40

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

22 Analysis of net assets between funds excluding pension liability, continued from page 39

Consolidated

	General Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Fixed assets	616,448	150,000	766,448	655,793
Current assets	711,574	153,743	865,317	620,573
Creditors, falling due within one year	(585,452)		(585,452)	(423,445)
Creditors, falling due more than one year	(174,170)		(174,170)	(152,725)
Net Assets	568,400	303,743	872,143	700,196

23 Charitable status

The company is a registered charity no 515300 and is exempt from income tax and corporation tax. The company is a limited company by guarantee and has no share capital. In the event of the winding up of the company, the liability of members is limited to a maximum of £1 each.

24 Commitments

At 31 March 2021 the company had future minimum operating leases payments as follows:

	2021	2020
	£	£
Within one year	49,096	45,245
Between one and five years	124,241	150,797
	<u>173,337</u>	<u>196,042</u>

25 Related party transaction

The company has taken advantage under FRS 102 not to disclose details of its transactions with its subsidiaries.

During the year, M White charged the charitable company £5,300 (2020: £Nil) in respect of consultancy services.

	2021	2020
	£	£
Key management personnel compensation	<u>144,687</u>	<u>141,854</u>

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

26 Reconciliation of net expenditure to net cash flow from operating activities

	2021	2020
	£	£
Net income / (expenditure) for the year	82,008	56,851
Pension scheme adjustment	71,000	88,000
Interest paid	7,630	4,185
Depreciation and amortisation charges	24,658	33,965
Corporation tax	2,118	718
(Increase) in debtors	(89,570)	(150,496)
Increase in creditors	142,998	47,656
	<u>240,842</u>	<u>80,879</u>

26.1 Analysis of changes in net debt

	01.04.2020	Net cash flows	Non cash movements	31.03.2021
	£	£	£	£
Cash	172,167	155,174	-	327,341
Debt due within one year	(12,338)	(571)	(16,320)	(29,229)
Debt due after one year	(152,725)	11,195	(32,640)	(174,170)
	<u>7,104</u>	<u>165,798</u>	<u>(48,960)</u>	<u>123,942</u>

27 Pensions

As explained at note 2.12 the company operates both a defined benefit pension scheme and a defined contribution pension scheme.

The company is a member of the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (LGPS). The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Funds Funding Strategy Statement. The last actuarial valuation was at 31 March 2019.

The Fund Administering Authority, City of Bradford Metropolitan Council, is responsible for the governance of the Fund.

The key assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:-

	2021	2020
	%	%
Discount rate for liabilities	2.10	2.30
Pension increases	2.70	2.00
Pension accounts revaluation rate	2.70	2.00
Salaries increases	3.95	3.25
CPI Inflation	2.70	2.00

Note 27 is continued on page 42

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

27 Pensions, continued from page 41

Mortality assumption

The mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

Males	2021	2020
Member aged 65 at accounting date	21.9	21.8
Member aged 45 at accounting date	22.6	22.5
Females		
Member aged 65 at accounting date	24.7	24.6
Member aged 45 at accounting date	25.8	25.7

The approximate split of the assets of the Fund is as set out below:-

	2021 %	2020 %
Equities	79.7	77.5
Property	3.8	4.5
Government bonds	8.3	9.6
Corporate bonds	4.6	5.1
Cash	2.0	1.9
Other	1.6	1.4
	<u>100.0</u>	<u>100.0</u>

The actual returns on assets are set out below:-

	2021 £	2020 £
Interest income on assets	41,000	48,000
Gains/(Losses) on assets	378,000	(194,000)
Actual return on assets	<u>419,000</u>	<u>(146,000)</u>

Note 27 is continued on page 43

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

27 Pensions, continued from page 42

The changes in the fair values of the assets were:-

	2021 £	2020 £
Opening fair value of assets	1,841,000	2,028,000
Interest income on assets	41,000	48,000
Re-measurement gains/(losses) on assets	378,000	(194,000)
Members contributions	10,000	10,000
Net benefits paid out	(92,000)	(51,000)
	<u>2,178,000</u>	<u>1,841,000</u>
Closing fair value of assets	<u>2,178,000</u>	<u>1,841,000</u>

The changes in the present values of the defined benefit obligations:-

	2021 £	2020 £
Opening present value of liabilities	2,468,000	2,539,000
Current service costs	56,000	58,000
Interest expense on defined benefit obligations	56,000	60,000
Members contributions	10,000	10,000
Actuarial losses/(gains) on liabilities	488,000	(166,000)
Net benefits paid out	(92,000)	(51,000)
Past service costs	-	18,000
	<u>2,986,000</u>	<u>2,468,000</u>
Closing present value of liabilities	<u>2,986,000</u>	<u>2,468,000</u>

The reconciliation of the funded status of the Fund to the balance sheet is as follows:-

	2021 £	2020 £
Fair value of assets	2,178,000	1,841,000
Present value of funded defined benefit obligations	2,986,000	2,468,000
	<u>(808,000)</u>	<u>(627,000)</u>
Net pension liability	<u>(808,000)</u>	<u>(627,000)</u>

The split of the liabilities at the last valuation between the various categories of members is as follows:-

Active members	46%
Deferred Pensioners	25%
Pensioners	29%

Note 27 is continued on page 44

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

27 Pensions, continued from page 43

The pension costs recognised in the statement of financial activities are made up as follows:-

	2021 £	2020 £
Operating Costs :-		
Current service cost	56,000	58,000
Past service cost	-	18,000
Finance costs :-		
Interest costs on pension liabilities	15,000	12,000
	<u>71,000</u>	<u>88,000</u>
Actuarial losses	110,000	28,000
	<u>181,000</u>	<u>116,000</u>

Sensitivity Analysis :-

	Base figure £	+0.1% £	-0.1% £
Discount Rate			
Present value of total obligation	2,986,000	2,926,000	3,049,000
Projected service cost	75,000	73,000	77,000
Rate of increase in salaries			
Present value of total obligation	2,986,000	2,995,000	2,977,000
Projected service cost	75,000	75,000	75,000
Rate of increase in pensions			
Present value of total obligation	2,986,000	3,037,000	2,935,000
Projected service cost	75,000	77,000	73,000
Post retirement mortality assumption		-1 year	+1 year
Present value of total obligation	2,986,000	3,096,000	2,879,000
Projected service cost	75,000	78,000	72,000

28 Non-adjusting events after the financial period.

Following the year end, the government lockdowns to combat Covid-19 have gradually been eased. The Trustees have ensured there are safe working conditions and as such, the charity has been able to continue with little disruption. The charitable company has maintained its activities at sufficient levels enabling it to meet its overheads and commitments. The Trustees feel that the charitable company has sufficient reserves to fund the charity through this period of uncertainty.