

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

CONTENTS

	PAGE
Legal and Administrative Information	3
Report of the Supervisory Board	4 - 10
Report of the Independent Auditors	11 - 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes on the Financial Statements	18 - 37

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.

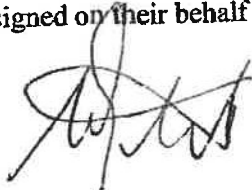
Auditors

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's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the 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 to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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	TOTAL
		General Funds	Designated Funds	Restricted Funds	2025	2024
		£	£	£	£	£
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>1,174,737</u>	<u>1,157,599</u>
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)
NET ASSETS excluding pension liability		<u>1,490,743</u>	<u>962,477</u>
Defined pension scheme liability	27	-	-
NET ASSETS incl pension liability		<u>1,490,743</u>	<u>962,477</u>
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		Restricted	Total 2025	Total 2024
	General	Designated			
	£	£	£	£	£
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 General £	Designated £	Restricted £	Total 2025 £	Total 2024 £
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 General £	Designated £	Restricted £	Total 2025 £	Total 2024 £
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 General £	Designated £	Restricted £	Total 2025 £	Total 2024 £
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 General £	Designated £	Restricted £	Total 2025 £	Total 2024 £
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 General £	Designated £	Restricted £	Total 2025 £	Total 2024 £
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)
		2,896,544	4,230,000	77,343	77,343	7,203,887	6,481,600

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	2,898	3,978
Non audit services	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
	4,455,871	3,989,069

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

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
	133	135

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)
	<u>878,415</u>	<u>180,567</u>	<u>1,058,982</u>

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
	<u>1,033,624</u>	<u>657,844</u>

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
	<u>877,628</u>	<u>787,043</u>

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	-	-
	<u>382,054</u>	<u>297,257</u>

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	239,586	134,881

Analysis of provisions for liabilities

Dilapidations	239,586	134,881
---------------	---------	---------

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
	354,368	6,772	(7,965)	-	353,175

	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

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>-</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>(177,000)</u>	<u>(132,000)</u>

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

