



The Turning Point Trust

Report and Financial Statements

Year Ended 31st December 2018

UK Registered Charity Number 1091025

Reference and administrative information

Trustees (who all served throughout the year unless otherwise stated)

Peter Wichmann, Chair of Trustees

Paul Barnes

Clare Harwood

Steve Dew

Lorna Jones

Andy Reid

Registered Address

Turning Point Trust

c/o Christ Church

Jubilee Square

Woking

Surrey

GU21 6YG

UK Registered Charity Number

1091025

Bankers

CCLA, Senator House, 85 Queen Victoria St, London EC4V 4ET

The Co-operative Bank, PO Box 250, Skelmersdale, WN8 6WT

Report of the Trustees for the year ended 31 December 2018

The Trustees present their annual report and financial statement for the charity for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and follow the Statement of Recommended Practice (SORP).

Structure, governance and management

The Trust is a registered charity, number 1091025, and is constituted under a trust deed dated 18 January 2002. According to the deed, the Trust was established “to relieve children in Kenya who are in need by reason of poverty, in particular children who are homeless, by providing and assisting in the provision of shelter, food, clothing, education and opportunities for personal development.” The Trust raises funds from a number of supporting churches and through a network of individual supporters.

The Trust makes donations to Turning Point Kenya, for its work in the slums of Nairobi. It has historically also paid for UK staff working either in Kenya or the UK, although this ceased in early 2017. The Trust also pays to raise funds and awareness in the UK for the work in Kenya.

New trustees are appointed by existing trustees. All trustees give of their time freely and no remuneration was paid to trustees during the year. Details of trustee expenses and related party transactions are disclosed in note 2 to the accounts.

Turning Point Kenya is registered as an NGO (non-governmental organisation) with the Kenya NGO Board. There are currently six Directors of Turning Point Kenya, including Peter Wichmann and Paul Barnes, who are also Trustees of Turning Point in the UK. The Trustees believe that this is helpful in providing assurance and continuity across the two legal entities.

Risk management

The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to mitigate those risks.

The key risks identified by the Trustees during this period were:-

- **Expenses running ahead of income.** Trustees continue to monitor this closely. During 2018 income exceeded expenditure, resulting in a modest increase in the reserves position. The first months of 2019 also showed further improvement in income, driven partly by action taken in 2018 in the applications for grants. The reserves position continues to be a high focus for trustees.
- **Currency exchange fluctuations.** During 2016 this risk materialised. Given almost all income for Turning Point Kenya comes from the UK, changes in the exchange rate can have a significant impact. The rate achieved worsened again during 2018 but has since stabilised.
- **Unrest in Kenya.** Whilst the Trust cannot directly influence this, the Trustees are satisfied that everything reasonably possible has been done to mitigate the risk whilst still meeting the needs of the beneficiaries of the charity.
- **Safeguarding.** The work in Kenya involves supporting children who are often very vulnerable. Turning Point Kenya has a robust policy in place and Turning Point in the UK receives a report each year from the Kenya Directors.

Objectives and activities for the public benefit

The objects of the Trust are to relieve children in Kenya who are in need by reason of poverty, in particular children who are homeless, by providing and assisting in the provision of shelter, food, clothing, education and opportunities for personal development.

The Trust carries out these objects by:

- making grants to Turning Point Kenya to support its work with children in the slums of Nairobi. This includes helping provide food, clothing, basic healthcare, access to education, and support for emotional and spiritual development;
- paying for work in the UK to raise awareness and funding, and
- sometimes providing staff from the UK to work in Kenya to support the work of Turning Point Kenya.

A review of achievements and performance

During 2018 we have continued to see the Fountains of Hope school grow and support more children, providing a holistic education to the children we serve. Providing a high quality education remains at the heart of what we do, and is also supported by our transition class and community library. We also provide surrounding services such as parenting classes, as we very much want to partner with parents and carers in their task of raising children and young people. We have also been delighted to partner during the year with other organisations and people to help us in this task.

We are very grateful to the staff of Turning Point in Kenya who work with children and parents on a day to day basis, often dealing with challenging situations. We are also grateful for our supporters and donors in Kenya, the UK, and elsewhere without whom our work would not be possible. Wider economic changes have created some funding challenges for us and many other organisations in recent years, but we remain determined to pursue our vision to help the children we serve become the people God made them to be.

Financial Review

Incoming donations from individuals and churches was almost unchanged in the year at £159,761 (2017: £158,527). In addition to this grants were received totalling £16,360 (2017: £13,830). Income from investments (interest on money held of deposit) remained at £0 (2017: £0). Total income was therefore slightly increased at £176,121 (2017: £172,357).

The cost of generating funds decreased to £3,073 (2017: £4,228), due to a temporary decrease in staff costs associated with this activity.

Grants to Turning Point (Kenya) decreased to £159,937 (2017: £178,000) reflecting the income available and the lack of any substantive reserves.

The cost of providing staff decreased to £3,537 (2017: £6,075) as the employment of the only UK staff member ceased in 2017 but was extended for a few months into early 2018.

Governance costs increased to £1,040 (2017: £0) driven by the visit of some UK Trustees to Kenya during the year. The Trustees view this as an essential item which is undertaken approximately once every two years.

Total expenses therefore decreased to £167,587 (2017: £188,303).

Total funds at the end of the year increased to £15,291 (2017: £6,755). Of this figure, the amount representing restricted funds was £0 (2017: £2,140). The general fund as at 31st December 2018 was £15,291, which represents 33 days of general activities, up from 9 days as at 31st December 2017.

Reserves Policy

It is the policy of the Trustees to maintain sufficient reserves to avoid short term cash flow issues, as well as to enable an effective response in the event of unexpected situations arising in Kenya. Equally, the Trustees do not expect or plan to build up large reserves, given the extensive needs in Kenya. The core income base is regarded as sustainable by the Trustees as it includes income from a reasonable number of different donors, and a significant part consists of regular monthly payments.

Plans for the future

The mission of the Trust is described in the following statement:-

“Our vision is to see vulnerable families and children living in Nairobi’s informal settlements achieve their full God-given potential.”

This statement continues to inform future planning. The Trustees aim to consolidate the work now underway in the three centres in Kibera, serving increasing numbers of children and young people, as well as strengthening the nature of that support. The Trustees are planning to grow the income to support this increased work.

During 2018 the only UK employee, Emily Obiti, left the UK organisation and then re-joined the Kenyan NGO later in the year on a permanent basis. The UK trustees have discussed with the Kenyan Board and CEO the need to drive increased fund-raising in the UK through paid roles in Kenya supported by volunteers in the UK, and the signs in late 2018 and early 2019 are that this is proving fruitful.

Trustees’ responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees’ Report and financial statements in accordance with the applicable law and United Kingdom Accounting Standards. The trustees

have decided to prepare accounts on an accrual basis which will therefore give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements the trustees are required to:-

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any departures disclosed and examined in the financial statements, and;
- Prepare the financial statements on the ongoing concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the trustees on 30 September 2019 and signed on their behalf by:

Peter Wichmann, Chair of Trustees

Independent Examiner's Report to the Trustees of The Turning Point Trust

Report to the trustees of Turning Point Trust on accounts for the year ended 31st December 2018, charity number 1091025, set out on pages 8 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145 (5) (b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed _____ Date 30 September 2019

Name R W Dallimore MSC, ACMA.

Address 70 Orchard Drive, Horsell, Woking, Surrey, GU21 4BS

The Turning Point Trust
Statement of Financial Activities
for the year ending 31 December 2018

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
Incoming resources					
Donations from individuals / churches		147,101	12,660	159,761	158,511
Donations from grant making trusts		16,360		16,360	13,811
Investment income		0		0	
Total incoming resources		163,461	12,660	176,121	172,322
Resources expended					
Costs of generating funds		3,073		3,073	4,211
Grants to Turning Point (Kenya)		147,277	12,660	159,937	178,000
Staff costs		3,537		3,537	6,011
Governance costs		1,040		1,040	
Total resources expended		154,927	12,660	167,587	188,300
Net (outgoing) incoming resources before transfers		8,536	0	8,536	-15,978
Transfers between funds					
Net movement in funds		8,536	0	8,536	-15,978
Total funds brought forward		6,755	0	6,755	22,711
Total funds carried forward		15,291	0	15,291	6,733

The Turning Point Trust
Balance Sheet as at 31 December 2018

	Note	Unrestricted Funds	Restricted Funds	Total Funds	Prior Year
<i>Fixed assets:</i>					
Tangible assets		-	-	-	-
Investments		-	-	-	-
Total fixed assets		-	-	-	-
<i>Current Assets:</i>					
Debtors		1,188	-	1,188	1,305
Cash at bank and in hand		14,103	-	14,103	6,008
Total current assets		15,291	-	15,291	7,313
<i>Liabilities:</i>					
Creditors falling due within one year		-	-	-	558
Net current assets		15,291	-	15,291	6,755
Total assets less current liabilities		15,291	-	15,291	6,755
<i>Creditors: amounts falling due after more than one year</i>					
Creditors		-	-	-	-
Provisions		-	-	-	-
Net assets		15,291	-	15,291	6,755
<i>The funds of the charity:</i>					
Restricted income funds	5		-	-	-
Unrestricted income funds		15,291		15,291	6,755
Total charity funds		15,291	-	15,291	6,755

The notes at pages 10 to 11 form part of these accounts.

Approved by the trustees on 30 September 2019 and signed on their behalf by:

P Wichmann
Chairman of Trustees

Notes to the accounts

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) including the concessions that are available for smaller charities and the Charities Act 2011. The accounting policy was changed to simplify the accounts in 2017 in line with SORP.

(b) Funds structure

The charity has no endowment funds. Restricted funds are to be used in accordance with specific instructions imposed by the donor. There are a number of restricted funds, details of which are described in note 5.

(c) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made Turning Point (Kenya) and to third parties in the furtherance of the charitable objects of the Trust.

(e) Costs of generating funds

The costs of generating funds consists of the costs of printing and distributing leaflets and newsletters, some staff costs associated with fund-raising, and costs for Trustee visits to Kenya.

(f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

(g) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historic cost. Depreciation is charged on equipment that is written off on a straight line basis over four years. (There have been no additions in the last five years.) All assets in Kenya are under the control and management of Turning Point (Kenya).

2. Related party transactions and trustee's remuneration

Trustees received no emoluments (2017: £Nil). Expenses in the year totalled £1,588 (2017: £747). This was for expenses incurred such as cost associated with the visit to Kenya, plus postage and stationery.

3. Analysis of charitable activity

The trust undertakes its charitable activity through making grants to Turning Point Trust in Kenya, a registered NGO in Kenya, and sometimes by employing UK staff to assist with the management and resourcing of the work in Kenya.

4. Analysis of current assets

The amounts showing as debtors represents amounts due in Gift Aid but not claimed.

5. Analysis of restricted charitable funds

Analysis of Restricted Funds 2018					
	Balance b/f	Incoming resources	Resource expended	Transfers	Balance c/f
College fees	219	750	969	0	0
Feeding Project	0	2,000	2,000	0	0
Transition Class	0	5,540	5,540	0	0
Teachers Salaries	0	2,860	2,860	0	0
Christmas Gifts	0	0	0	0	0
Emily and Moses	1,921	1,510	3,431	0	0
Total	2,140	12,660	14,800	0	0