TURNING POINT SCOTLAND

Report and Consolidated Financial Statements

For the year ended 31 March 2026

Charity No: SC028827
Company No: SC194639

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TURNING POINT SCOTLAND

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Trustees' Report (incorporating the Strategic Report) for the year ended 31st March 2026

The Trustees present their annual report and financial statements of the charity for the year ended 31st March 2026. The financial statements have been prepared in accordance with the accounting policies set out in note 3 of the accounts and comply with the charity's trust deed.

Objectives and Activities of the Charity
The aims of the Charity are in respect of delivery of social care provision.

Turning Point Scotland (TPS) is a leading social care charity dedicated to supporting individuals facing complex and challenging circumstances across Scotland. Its charitable objectives focus on empowering people to overcome barriers relating to homelessness, substance use, mental health, learning disabilities, autism, justice involvement, and neurological conditions. The organisation's mission is to place those it supports at the heart of its work, delivering high-quality, person-centred services that promote dignity, inclusion, safety, and resilience.

TPS continues to operate within an increasingly fragile and uncertain social care environment. The anticipated period of recovery and stabilisation following the Covid-19 pandemic has not materialised. Instead, the sector has experienced a sustained deterioration in financial sustainability, workforce resilience, and strategic stability. Public finances across Scotland remain under significant pressure and this has increasingly translated into reductions in real-terms funding, delayed decision-making, short-term commissioning approaches, and growing instability across publicly commissioned services.

TPS delivers almost the entirety of its services on a commissioned basis. This means the organisation operates in partnership with statutory providers whilst remaining heavily dependent on commissioning arrangements with Local Authorities, the NHS, Scottish Government, and individuals accessing self-directed support. Whilst these partnerships remain critically important, they also create a significant structural vulnerability. As financial pressures on public bodies intensify, the sustainability risks associated with outsourced social care provision continue to increase.

The organisation delivers a broad range of services across Scotland. Whilst founded in the provision of learning disability services, TPS now supports people through a wide range of programmes including alcohol and drug recovery services, harm reduction initiatives, mental health support, housing and homelessness services, justice reintegration programmes, and specialist support for individuals with complex and multiple disadvantages. Initiatives such as the "Make It Happen" fund continue to provide small grants that enable people to access meaningful opportunities that enhance confidence, wellbeing, and community connection. TPS also promotes a "No Wrong Door" and "Whole System Approach" philosophy in relation to homelessness and complex need, recognising that effective support requires coordinated, trauma-informed, and stigma-free engagement across systems.

A key aspect of TPS's approach remains the employment and empowerment of people with lived experience. The organisation recognises the unique value of lived and living experience in shaping compassionate, credible, and effective support services. Through collaboration with statutory partners, communities, and the wider third sector, TPS seeks to create opportunities for individuals to recover, contribute, and lead fulfilling lives.

Over a number of years TPS has also embedded a wider organisational philosophy centred on "Citizenship". This forms a core component of the organisation's strategic direction and promotes community integration, participation, and social inclusion for people facing significant challenges. Drawing upon principles developed by the Yale Program for Recovery and Community Health (PRCH), the approach emphasises an individual's strengths, rights, responsibilities, relationships, roles, and access to resources within their community.

The operational environment during the year has, however, become increasingly difficult. Local Authorities across Scotland continue to face unprecedented financial pressures, resulting in widespread attempts to reduce expenditure, redesign services, renegotiate contractual arrangements, and tighten eligibility criteria. In many areas this has led to increasing instability within commissioning relationships and growing concern regarding the long-term sustainability of third sector provision.

At the same time, demand for support services continues to rise significantly. Mental health pressures remain acute across many communities. Homelessness presentations continue to increase, with multiple Local Authorities declaring Housing Emergencies. Record prison populations and associated early release pressures continue to generate additional demand within justice and community support systems. Concerns also remain regarding drug-related deaths and the increasing complexity of need experienced by individuals accessing services. These pressures are occurring within a context of constrained funding and workforce shortages across the wider social care sector.

For organisations such as TPS, which are specifically equipped to respond to these complex social challenges, the inability of funding arrangements to keep pace with demand, inflationary pressures, workforce costs, and wider operational liabilities presents a significant and growing concern. In many instances, third-sector organisations are increasingly expected to absorb financial and operational risk that would historically have sat within statutory systems.

Across the sector there is growing recognition that Scottish social care has reached a critical inflection point. Public services have become increasingly reliant upon third sector organisations to deliver frontline support, particularly in areas such as homelessness, mental health, substance use, and learning disabilities. However, this dependency has not been matched by sustainable funding models, long-term commissioning certainty, or equitable risk sharing.

Commissioning approaches based upon short-term funding cycles, cost reduction requirements, and transfer of operational liabilities continue to place unsustainable pressure on providers. Independent analysis across the sector has demonstrated that many charitable organisations are increasingly reliant upon reserves to sustain frontline services, a position that cannot continue indefinitely without serious consequences for organisational viability and public service continuity.

TPS remains committed to delivering high-quality, person-centred support despite these challenges. However, the widening gap between rising levels of need, increasing public expectation, and declining financial sustainability represents one of the most significant strategic risks currently facing both the organisation and the wider social care system.

Without meaningful reform of commissioning practices, improved long-term partnership arrangements, and sustained investment in social care infrastructure, there is a substantial risk of service reduction, provider withdrawal, workforce loss, and destabilisation across key areas of public service delivery. The impact of such outcomes would fall most heavily upon the vulnerable individuals and communities who rely upon these services for safety, stability, recovery, and inclusion.

Strategic Report

Achievements and performance

During the year Turning Point Scotland (TPS) continued to deliver a broad range of essential social care and community support services across Scotland despite an increasingly challenging operational and financial environment. The organisation remained committed to delivering high-quality, person-centred support to individuals experiencing some of the most complex forms of disadvantage and exclusion within society.

Across the year TPS operated services in 23 Local Authorities and supported approximately 9,350 individuals through a range of commissioned and community-based programmes. The organisation employed 1,251 staff and 165 sessional workers across Scotland and continued to deliver support on a 24-hour basis in a number of service areas.

TPS continued to provide support across learning disabilities, autism, mental health, homelessness, alcohol and drug recovery, justice reintegration, and complex needs services. During the year:

- individuals were supported within learning disability and autism services;
- individuals accessed homelessness, housing support, or tenancy sustainment services;
- people engaged with alcohol and drug recovery or harm reduction programmes;
- individuals received mental health or wellbeing support;
- people were supported through justice-related or reintegration services.

Across all areas of delivery, TPS maintained a strong focus on safety, dignity, recovery, inclusion, and community participation. The organisation continued to achieve strong inspection and quality assurance outcomes, with the majority of regulated services assessed by the Care Inspectorate achieving grades of "Good" or above during the reporting period.

The organisation demonstrated significant resilience and adaptability during a period characterised by increasing demand, workforce pressures, rising operational costs, and continuing uncertainty across public sector commissioning arrangements. Despite these pressures, TPS sustained critical frontline services and maintained service continuity across the vast majority of its operational portfolio throughout the year.

TPS continued to play a significant role nationally in supporting people affected by homelessness and substance use. Services delivered crisis intervention, harm reduction, recovery support, outreach, and housing-related assistance to individuals experiencing multiple and compound disadvantages, often involving trauma, mental ill health, addiction, poverty, and social exclusion.

Within homelessness and housing support services:

- TPS supported 5,163 people to sustain accommodation or avoid homelessness
- During the year our teams attended 145,213 engagements totalling 89,664 hours of support.

Within alcohol and drug services:

- TPS supported 3,333 people and processed 656 residential admissions;
- During the year our teams attended 121,487 engagements totalling 69,844 hours of support.
- Strong outcomes were secured with 84% achieving a positive wellbeing outcome, 67% a positive Alcohol and Other Drugs (AOD) outcome and 86% had a positive or static AOD outcome:
- Our teams delivered 4,306 harm reduction engagements;

Within learning disability and autism services, TPS continued to support individuals to live independently, exercise choice and control, and participate meaningfully within their communities. During the year:

- TPS supported 400 people to live independently, exercise choice and control, and participate in their communities:

The organisation also continued to strengthen the role of lived and living experience across services and organisational development. TPS recognises the significant value that people with direct experience bring to service design, peer support, and organisational culture. During the year the organisation expanded participation opportunities for people with lived experience through recruitment activity, peer engagement programmes, consultation structures, and service development initiatives.

TPS continued to invest in workforce development despite sustained sector-wide recruitment and retention challenges. During the reporting period:

- members of staff completed accredited learning or professional development activity;
- staff wellbeing and trauma-informed practice remained key organisational priorities;
- targeted recruitment and retention initiatives were implemented across several high-pressure service areas.

Throughout the year TPS continued to promote innovation and flexibility in service delivery despite increasingly constrained resources. Services adapted to respond to emerging local pressures, increasing complexity of need, and changing community demands. Staff across the organisation demonstrated exceptional commitment and professionalism in maintaining support to vulnerable individuals during a period of sustained uncertainty across the wider social care sector.

The organisation also continued to advocate strongly for the people and communities it supports and for the wider social care sector. TPS contributed to national and local discussions relating to homelessness, addiction, mental health, social care reform, workforce pressures, and commissioning practice. Increasingly, the organisation has sought to highlight the growing disconnect between rising

public need and the financial and structural conditions within which third sector providers are expected to operate.

Despite the considerable challenges facing the sector, TPS has remained focused upon its core mission and values. The organisation continues to be recognised as a trusted national provider of complex social care services and remains committed to working collaboratively with partners to improve outcomes for individuals and communities across Scotland.

The achievements of the year are therefore not measured solely through growth or expansion, but through the organisation's continued ability to sustain high-quality, compassionate, and safe services for vulnerable people during one of the most difficult periods the social care sector has experienced in recent decades.

Strategy

The past year has seen Turning Point Scotland continue to make good progress in delivering the ambitions set out within our 2023–2028 Strategic Plan, despite operating in an increasingly challenging external environment. Like much of the health and social care sector, we have continued to respond to financial pressures, workforce challenges, changing commissioning expectations and an increasingly uncertain policy landscape. Against that backdrop, maintaining strategic momentum has required both resilience and adaptability.

Whilst much attention has necessarily been directed towards managing immediate operational challenges, the organisation has remained firmly committed to investing in its long-term future. A number of significant strategic programmes have progressed during the year, strengthening the organisation's foundations and positioning Turning Point Scotland for the years ahead.

Foremost amongst these has been the procurement and implementation of a new Learning Management System (LMS) and Service User Information System. Representing the single largest technology investment undertaken by the organisation for many years, these programmes will fundamentally modernise how we develop our workforce, assure quality, manage information and utilise data to improve outcomes for the people we support. Although implementation continues, these systems will provide the digital infrastructure necessary to support a modern, evidence-led organisation for many years to come.

We also successfully completed the organisation-wide transition to Microsoft SharePoint, transforming how colleagues' access, manage and collaborate around information. As staff become increasingly familiar with the new environment, the anticipated benefits in efficiency, consistency, knowledge sharing and information governance are already beginning to be realised.

Recognising that our people remain our greatest strength, we invested significantly in leadership development through the introduction of a comprehensive development programme for Service Managers and Assistant Service Coordinators. This represents a tangible demonstration of Turning Point Scotland's commitment to developing its people and strengthening leadership capability across the organisation. By investing in those closest to frontline service delivery, we are building the confidence, skills and resilience required to lead services through an increasingly complex operating environment.

Alongside these organisational developments, we undertook a comprehensive review of our Justice Services, examining both current performance and the longer-term strategic opportunities for Turning Point Scotland within a rapidly evolving justice landscape. This work has helped clarify our future direction within the sector and will inform future service development and investment decisions.

Complementing this work, the organisation completed a wide-ranging benchmarking exercise, comparing our structures, practices and performance against comparable organisations across the sector. This has provided valuable external validation of many areas of organisational strength while also identifying opportunities for improvement. The findings are now informing a programme of strategic realignment designed to ensure that Turning Point Scotland remains well positioned to respond to future challenges and opportunities.

As we move into the third year of our current strategy, Trustees remain satisfied that the core ambitions of the 2023–2028 Strategic Plan remain relevant and appropriate. However, it is increasingly clear that the environment in which social care is delivered continues to evolve at pace. Financial sustainability, workforce pressures, public sector reform and changing models of commissioning are reshaping the landscape for providers across Scotland.

Accordingly, whilst our immediate focus remains the successful delivery of the current Strategic Plan, the Board has also begun early consideration of what follows beyond 2028. These initial discussions are intended to ensure that Turning Point Scotland remains proactive rather than reactive, building upon the significant progress already achieved while preparing the organisation to meet the challenges and opportunities of the next strategic period. As always, our ambition is not simply to respond to change, but to help shape the future of high-quality, person-centred social care across Scotland.

Governance

TPS remains committed to embedding effective governance across the organisation, from the Board of Trustees and Executive Team through to Heads of Service and all staff. Governance provides the framework through which TPS ensures that systems, processes and decision-making remain safe, effective, accountable and person-centred for both colleagues and the people we support.

Governance is embedded from the earliest consideration of any potential new service through to operational launch and ongoing delivery. Involvement at each stage enables TPS to identify risks early, support effective implementation and ensure services continue to meet regulatory requirements and organisational standards.

A key part of this approach is the ongoing support provided to Trustees. The Governance Team maintains a thorough induction and training programme for all Trustees, recognising the increasing responsibilities and regulatory expectations placed on Board members. This includes formal internal and external training, alongside a comprehensive introduction to the governance documentation available to Trustees, ensuring they are equipped to fulfil their duties effectively.

To aid this, and working with a Board member, the Governance Team has begun to strengthen Adult Support and Protection (ASP) reporting and related organisational processes. This includes reviewing how ASP concerns are identified, recorded, reported and escalated, with the aim of improving consistency, oversight and assurance across services. The work supports clearer accountability, more effective learning from incidents and concerns, and ensures that organisational processes remain aligned with safeguarding responsibilities and good governance practice. This work is continuing and developing in conjunction with the wider board.

Governance oversight is supported by a structured network of committees, forums and groups, each with a clear focus on key areas of organisational assurance. These groups provide regular review, challenge and escalation routes, helping to ensure that risks, learning and improvement actions are identified and acted upon across TPS.

The Clinical and Care Governance Forum continues to bring together representation from a diverse range of services and geographical areas. The forum also operates a clinical governance subgroup for residential services, with representation from medical staff and prescribers who deliver clinical interventions in partnership with TPS colleagues.

Alongside this, a number of governance committees continue to provide focused oversight of specific organisational priorities. These include the Financial Governance Committee, Health and Safety Governance Committee, IT Governance, AID Governance and Complaints Governance. Together, these committees support accountability, transparency and clear lines of assurance across critical areas of TPS activity.

The Financial Governance Committee continues to meet every two months, maintaining oversight of accountability, transparency and budgetary competence across the organisation. The Committee supports robust financial processes, takes account of learning and advice from insurers and ensures

that TPS has a clear and informed approach when responding to claims, evidence requests and decisions about potential payments.

The Committee also maintains oversight of financial donations as a standing agenda item. This supports transparency in how donations are received, recorded and used, including whether funds are reserved for a specific purpose or service.

The Health and Safety Governance Committee continues to provide direction and oversight of health and safety across TPS. Its purpose is to strengthen the relationship between Committee members and the Executive Team in supporting safe organisational leadership. The Committee provides a structure through which the vision and commitment to safety are set, safety objectives are agreed, and performance is monitored to support compliance with legislation.

Finance

During the 2025/26 financial year, TPS operated within a challenging and increasingly volatile financial environment for the wider sector. Providers continued to face sustained cost pressures driven by rising wage expectations, higher energy and supply costs, and tightening local authority budgets that limited the availability of inflation-aligned funding uplifts. The increase in National Insurance contributions introduced during the period added further strain to operating margins, increasing employer costs at a time when recruitment and retention pressures were already acute. Collectively, these factors created a financially constrained landscape that required ongoing cost management, careful resource planning, and a continued focus on operational efficiency to maintain service quality and organisational stability.

The defined benefit pension scheme remains a significant area of financial oversight for the Charity. The Trustees continue to monitor the scheme's funding position, actuarial assumptions and associated liabilities, taking appropriate professional advice where required.

HR

As a leading provider of social care services in Scotland, Turning Point Scotland continues to take its role as an employer, advocate and partner in the not-for-profit sector seriously. We have continued to use our relationships and sector links to promote improvements in pay, terms and conditions, while also championing the principles of Fair Work. This includes ensuring that colleagues have a fair and effective voice and can contribute meaningfully to change within the organisation and across the wider social care sector.

Our inclusive approach supports stronger engagement and buy in from colleagues, as staff have increasing opportunities to shape the services they work in, contribute to organisational development, and influence the wider society in which they live and work.

At a national level, we continue to highlight workforce development, equality and Fair Work issues. We recognise the positive contribution that equality, diversity and inclusion bring to our organisation and to the communities we serve. This commitment remains closely aligned to our citizenship philosophy and is reflected in our continued involvement in national conversations through partners such as the Coalition of Care and Support Providers in Scotland, the Fair Work workstreams linked to the Feeley Review, the Sectoral Bargaining Development Group, the HR Voluntary Sector Forum, the Chartered Institute of Personnel and Development, and relevant SSSC and PVG liaison arrangements.

Our people remain at the heart of everything we do. TPS aspires to be an organisation that creates and promotes an environment where all employees can flourish and achieve their full potential for the benefit of the people we support, themselves and the organisation. We want TPS to be a place where people want to work, and where those who do work here feel proud to be part of the organisation. We continue to equip staff with the skills, support and development opportunities they need to provide the highest possible standard of care, while also enabling them to pursue their own career ambitions.

Our ambition for our people is embedded within the TPS 2023–2028 Strategy, and during the year we continued to make positive progress against our strategic people objectives.

We continue to operate at the Platinum level of Investors in People accreditation, the highest level of

accreditation available. In the context of the significant and ongoing challenges facing the social care sector, it was particularly encouraging that TPS was also ranked in the Top 10 Sunday Times Best Places to Work: Big Organisation.

This recognition was based on a rigorous employee survey conducted by The Sunday Times and WorkL. TPS achieved an average engagement score of 89%, with a 55% response rate, placing us 15% above the industry benchmark. The results demonstrated strong levels of employee engagement, pride and confidence across the organisation.

TPS achieved Excellence across all six areas of WorkL's engagement framework: Reward and Recognition at 86%, Information Sharing at 89%, Empowerment at 89%, Wellbeing at 87%, Instilling Pride at 92%, and Job Satisfaction at 90%.

The survey also highlighted a 91% confidence in management score, a 7% flight risk score, and a 9% wellbeing risk index, all rated as Excellent. These results provide important assurance that, despite the external pressures facing social care, TPS continues to be experienced by staff as a positive, supportive and values-led place to work.

At question level, the survey showed particularly strong results, with 92% of respondents stating that they feel proud to work for TPS, 95% stating that they do something worthwhile, 92% reporting a good relationship with their manager, and 90% saying they are treated with respect.

TPS was also Highly Commended as a Best Place to Work for LGBTQIA+ employees, reflecting our ongoing commitment to inclusion, diversity and equality. This recognition is a testament to the skill, commitment and values of our staff across Scotland, and to the workplace culture they help shape every day.

Holistic Approach Pilot

During the year, TPS launched a new Holistic Approach to Absence Management, representing a significant development in how we support staff health, wellbeing and attendance at work. This work was developed in direct response to feedback received during the strategy build phase of the 2023–2028 Strategy, where colleagues highlighted the importance of creating a more compassionate, consistent and person-centred approach to absence, wellbeing and support.

The approach builds directly on our ambition to be a good employer and reflects the principles that sit at the heart of TPS: respect, compassion, inclusion, integrity and citizenship. It recognises that absence management is not simply a procedural process, but an important opportunity to support our people when times are toughest. This is particularly important in a social care environment where staff continue to work under sustained pressure, and where the ability to retain, support and develop our workforce is central to the quality and sustainability of our services.

The review of the previous absence management arrangements was informed by staff and manager feedback, representative engagement and external good practice. The resulting approach places greater emphasis on early support, meaningful conversations, wellbeing, reasonable adjustments and understanding the individual circumstances that may sit behind absence. It also provides clearer guidance for managers, helping them to respond consistently, fairly and compassionately, while maintaining appropriate expectations around attendance, service delivery and support for the wider team.

A key part of the new model is the move away from language and processes that could feel overly procedural or punitive. The approach introduces more supportive check-in and check-up conversations, strengthens ongoing engagement during periods of long-term absence, and reframes formal improvement action through Notifications of Improvement. This supports a culture where managers are encouraged to explore solutions, consider flexible options where appropriate, and focus on helping colleagues remain well, return safely and sustain attendance at work.

The approach also recognises that staff wellbeing is influenced by more than work alone. Life events, caring responsibilities, family pressures, health concerns and financial stressors can all have a

significant impact on colleagues and their ability to remain well at work. As part of our wider commitment to supporting staff, TPS has continued to promote access to practical wellbeing support, including the ability for colleagues to claim back the cost of eligible healthcare treatments that may aid recovery and support ongoing wellbeing.

This support is not limited to colleagues as individuals. Access also extends to family members, recognising that the health and wellbeing of those closest to our staff can directly affect them too. Colleagues and eligible family members are also able to access a GP appointment within 24 hours, helping to provide timely advice, reassurance and intervention at points when early support can make a meaningful difference.

The launch was supported by a programme of manager training and engagement, designed to build confidence and consistency across the organisation. This included practical guidance on supportive conversations, absence triggers, reasonable adjustments, occupational health, operational impact, wellbeing support and the use of the Healthcare Cash Plan. The aim was to ensure managers understood both the policy framework and the cultural shift behind it.

The Holistic Approach represents an important example of TPS listening to staff feedback and translating it into meaningful organisational change. It strengthens the connection between policy, values and practice, and reinforces our commitment to Fair Work, employee voice and wellbeing. By supporting our people with compassion, consistency and practical assistance when they need it most, TPS is better placed to sustain a healthy, engaged and resilient workforce, able to continue delivering high-quality support to the people who rely on our services.

The innovative nature of the Holistic Approach was also recognised externally before the model moved into practical implementation. TPS was shortlisted in three categories at this year's HR Network Awards: Leading with Kindness, Health and Wellbeing, and HR Team of the Year. The shortlisting of the Holistic Approach at pilot stage provided important independent recognition from industry experts that the direction of travel was both progressive and well regarded. It also reinforced that the work was not simply a policy review, but a values-led and innovative attempt to reshape how absence, wellbeing and support are understood and experienced in practice. This external recognition gave further confidence that the approach aligned strongly with TPS's ambition to be a good employer, particularly by supporting colleagues with kindness, compassion and practical assistance when they need it most.

ICT

The past 12 months have brought significant change across TPS, with major improvements to our IT infrastructure building on the preparatory work undertaken in the previous year. These changes have strengthened the organisation's resilience, improved the security of our information assets, and created a more robust platform for future digital transformation.

A principal focus was the phased implementation of the organisation's SharePoint platform and intranet, delivered service-by-service over an eight-month period. This programme enabled a structured review and rationalisation of our information holdings and access permissions, strengthening information governance and improving control over who can access sensitive material. It also positions TPS to support future digital developments, including the considered adoption of automation and artificial intelligence where appropriate.

Alongside this programme, a number of additional initiatives were delivered to modernise our technology estate and strengthen our security controls:

- **Technology upgrade**

We upgraded our core infrastructure and end-user devices (including mobile devices) to the latest supported operating systems, ensuring continued vendor support and timely security updates.

- **Cyber Essentials and Cyber Essentials Plus**

We successfully renewed our Cyber Essentials accreditation and achieved Cyber Essentials Plus, providing independent assurance that key cyber security controls are in place and operating effectively.

- **Print fleet renewal**

We re-tendered our print fleet and appointed a supplier via the Scottish Government framework. The updated printer and photocopier estate delivers improved reliability and value for money, supports our sustainability objectives, and strengthens supply-chain security through accredited procurement routes.

- **Hosted telephony rollout**

The remaining TPS sites migrated to our hosted telephony platform, improving service continuity, supporting modern ways of working, and enabling more consistent management and security of communications.

Cyber security has remained an overarching priority throughout the year and is embedded within our ongoing operational oversight. We have continued to enhance our policies, technical controls and staff awareness, supported by regular monitoring and assurance activity, to reduce risk and improve our ability to prevent, detect and respond to cyber threats.

Service Provision

As at 31st March 2026, we provided 43 services.

TPS delivers a diverse range of services, meeting people's needs throughout many parts of Scotland and in various settings. Despite the diversity, TPS sustains a values-based approach, synonymous with our reputation which is consistent and demonstrably in line with our operating ethos. This is reflected in our strategic strapline 'because people matter'.

The organisation supported 9350 individuals between 1st April 2025 and 31st March 2026, not including needle exchange and drop-in. Overall, there were 8920 referrals received and 10295 programmes of support provided.

We had 1,251 contracted employees and engaged 165 relief workers in post on the 31st of March 2025.

Staff training and development

The TPS Training and Development department works with our services across all areas and regions to ensure that our staff are effectively trained to deliver the best possible care to the people we support. Across our different service types and models, we work with our services, forums and as part of the strategic leadership team to respond to their needs, creating learning opportunities across e-learning platforms and both online and in-person facilitator-led training.

In the period of 2025-2026, the department delivered 549 facilitator-led courses, with 56 of these being delivered as dedicated courses at service level to respond to local or individual needs outside of the main calendar; meaning that across all training events, in person or online, there was a total of 5482 attendees. The HR department also delivered in-person training throughout this period included in the main training calendar with 24 courses and 323 participants completing required training during 2025-26.

In addition to in-person and online learning, we also had 7359 completions of courses on our e-learning platform. This has included mandatory/compliance courses such as Fire Safety refresher training (370 staff) as well as introducing a new in-depth Introduction to Homelessness and Prevention course. Despite only launching in January 2026, this course has already had 136 completions and will form part of the required training for all staff starting work in our Homelessness and Prevention services. We have also successfully completed an e-learning programme on Understanding Harm Reduction for staff working in our Alcohol and Other Drugs services and worked with HR Colleagues to introduce a new mandatory training on Sexual Harassment in the Workplace for all staff in line with updated employment legislation.

In addition to this, we have also introduced Verbal Intervention e-learning refresher training, taken directly from the Crisis Prevention Institute (CPI) and hosted on our site. We have successfully been re-accredited for our Restraint Reduction Network (RRN) status with BILD and CPI during February 2026 for the second consecutive year and will be building a process to support all our services with their

training needs analysis for both Verbal Intervention and Safety Interventions for Disengagements during the coming year.

We have successfully created and begun the rollout of a new suite of Leadership Development Programmes during 2025-26, launching a new programme for our Service Managers and equivalent senior managers and a separate programme for those in first line manager positions. A further programme for those in our service coordinator, business administration manager and nursing positions is complete and will launch in 2026. These involve 6 months of in-person leadership development training with input from senior leaders, as well as integrated learning to complete throughout the programmes. A leadership library and ongoing communities of practice to support continuous learning and develop will follow on completion of the first cohorts of each programme delivered. This programme meets a number of the organisational strategic objectives including improving staff retention and career progression within TPS. We have also launched a new recruitment drive for internal trainers across a variety of both internal and external courses – this adds to the capacity of our services to deliver skills and learning directly to their staff as well as creating development and 'step up' opportunities for existing staff in TPS.

A further strategic objective this year focused on developing a standard level of qualification for all staff in our care roles. This followed the changes to SSSC registration and all staff re-registering at Practitioner level to allow a higher standard of qualification to be achieved across our services. During 2025-26 106 staff were nominated to undertake their SVQ and of these just under 100 were allocated places and funding for Awards. With the level of Student Awards Agency for Scotland (SAAS) funding now available to staff significantly reduced by the salary threshold eligibility, we were unable to take forward all candidates nominated, prioritising those who required their Award for registration in the majority of services. In addition to the 86 staff completing their SVQ Health & Social Care for registration, we were also able to offer 10 Management Awards and 3 Business and Administration Awards for staff development. We were also able to support 2 clinical awards, one in Independent Prescribing and another in Healthcare Practice.

The department have worked closely with our senior management to support the onboarding of the new WAYFinder service in Glasgow and in the decommissioning of our LD service in Elgin. We also continue to provide a bi-monthly Induction to all new staff beginning their career with TPS and have welcomed 220 new starts through this in-person event during this year. The training manager has continued to work closely with the strategic leadership group, in particular on objectives within the 'Our People' area of the strategy.

This encompasses the Leadership Development highlighted above, as well as updated objectives around developing a minimum standard of core training for all staff and the associated competencies required to achieve this.

One of our largest strategic objectives has been focused on the implementation of the new Access systems for TPS, including a new Learning Management System (LMS). Extensive work has been undertaken to develop this as part of the Project Team and the department have also now taken on responsibility for the rollout of training in all systems for both the Pilot training phase and overall rollout of these across all of our services during 2026-27.

People We Support
Two of our services illustrate some of the work we do with people we support:

Case Study from Fife Support Service
A young female was referred to Fife Support Services with a referral that stated she had experienced homelessness chronically for 6+ months or episodically for 3+ instances, taken prescription medication(s), accessed health care in accident and emergency more than twice, accessed psychiatric care in a hospital setting, received a mental health diagnosis or struggled with potential mental health concerns, used substances recreationally, experienced violence, or been violent to others and experienced imprisonment. The female was in a mental health hospital when she was referred and an initial assessment was conducted whilst in hospital, as part of a planned discharge.

From the initial assessment to being accepted onto Housing First took 146 days. This was due to her being in the hospital and, on discharge, living out of the area and requiring double-up support, making assessment difficult. The individual has a lot of distrust in any services offering support due to past experiences. Support staff were trying to manage her expectations, as she was requesting housing that she would not be considered for based on her assessment.

Consistency of support helped to build a positive working relationship and increased trust. This resulted in the individual feeling comfortable enough to raise concerns over her Community Psychiatric Nurse (CPN), where she felt that their relationship had broken beyond repair. Support staff supported her in requesting a change in CPN, which was granted. This has had a positive impact and the female is engaging well with her new CPN.

We supported the individual to move into temporary accommodation in her area of choice. When moving in, the staff raised concerns after seeing "drug paraphernalia" in her home. Initially, she denied this, but due to the positive relationships built, she felt comfortable confiding in her support staff that this was true. She expressed her own concerns about her drug use. Staff supported her referral to alcohol and drug services.

There were a couple of occasions when staff arranged to meet for support, but the individual was out when staff were due to visit. Due to issues with their phone, they had been unable to call staff and let them know that they would no longer be available, but on these occasions, she came to the office and met with staff rather than miss support.

With the building of trust with staff, staff have been able to support the female to identify positivity in their life and manage her expectations when it comes to homes. So much so, she has accepted a property, which previously she confirmed she would not have considered, due to only wanting a new build property.

After settling into her new home, she did reconnect with an ex-partner who had previously been violent towards her. She was seriously assaulted in her home and initially chose not to report this due to fearing for her life. She did confide in her support staff 4 days after the incident; staff then supported her to report this to the police. Staff then helped her contact housing and had her moved into a hotel for safety until the perpetrator was caught. With support from staff, she discussed her housing options with the local authority. She was given the option to return home or move to a new address. She has decided to stay in her home with Safer Communities and Fife Women's Aid support in place along with her ongoing support from Turning Point Scotland.

Engagement with this service user has been fantastic and although there is a very long history of non-engagement with services and struggling with her mental health, she has stated that this is the best she has felt in a long time.

"I like my new house, there is a lot to do, but I'm looking forward to making it mine. I feel better than I have in years."

A Case Study from Glasgow Criminal Justice Tenancy Sustainment Service

J first engaged with the service after a period of instability and significant challenges relating to his health and wellbeing. On arrival, he was dealing with a long history of alcohol misuse, unmanaged physical and mental health needs and a limited understanding of previous diagnoses. These factors had contributed to a pattern of crisis, disengagement from support and difficulty maintaining safe routines.

Following a full assessment, our team worked with J to understand his needs and establish a tailored support plan. Before joining the service, he had experienced several medical emergencies linked to unsafe insulin use while intoxicated. Once settled into a tenancy and connected with our support team, J engaged positively with regular outreach, emotional support and practical guidance. He also began receiving structured help from alcohol support services, which contributed to significant improvements in his wellbeing.

Throughout his time with us, staff provided consistent assistance during a stressful court process, helping him manage anxiety and maintain stability. J complied with all requirements and demonstrated increasing responsibility and insight into his situation.

J has made substantial progress across multiple areas of his life. He now manages his tenancy independently and is in the process of moving into permanent accommodation close to his family. He attends all necessary health appointments, monitors his diabetes safely and continues to engage with community supports such as peer alcohol services and Gamblers Anonymous. He has also established effective budgeting routines and been awarded appropriate benefits to support his health needs. J reports improved mental and physical wellbeing, reduced alcohol use and no recent involvement in offending.

A key factor in J's progress has been his consistent engagement and motivation to make positive changes. He frequently expresses appreciation for the support provided, recognising that it has played an important role in helping him build stability, safety and independence.

Section 172 Statement

Involving People who use Services
TPS Connects is a forum for people with lived or living experience of being supported by TPS services. Opportunities are available to participate in activities, attend meetings, give feedback, or train to volunteer within the organisation. Our Citizenship approach encourages members to focus on positive aspects of their identity rather than the issues that brought them into services and motivates people to take up valued roles.

TPS Connects actively encourages people to be involved in shaping decisions by offering opportunities for them to come together to have their voices heard. Participants can choose to be involved in a range of activities from attending or planning groups or events, attending or running peer support groups, taking part in consultation meetings, or regular 'Have Your Say' meetings.

The TPS Connects Committee, who represent people from learning disability services, plan regular events where people receiving support from across Scotland are invited to attend and participate.

The need to act fairly as between members of the Charity
We are committed to operating in an inclusive, transparent and compassionate way, ensuring that no one is unfairly discriminated against. Although the Trustees are the sole members of the Charity, and the Charity's purpose is to deliver its charitable objectives rather than serve individual member interests, this commitment to fairness, openness and inclusion remains central to how we work.

The impact of the Charity's operations on the community and the environment
We are committed to operating in an environmentally responsible way and to minimising the impact of our activities wherever possible. As a community-based service provider, we recognise the importance of strong local connections and integration. We take our role as community custodians seriously, working with respect, inclusion and cooperation in the communities where we provide support.

Staff Involvement
In TPS, formal staff representation arrangements continue to be discharged through two primary mechanisms. The first is our recognition agreement with Unite the Union, which provides Unite with sole negotiation rights through the quarterly Joint Negotiating Committee.

The second is the People Matter Forum, our staff representative forum. The Forum provides a structured opportunity for staff representatives to exchange information, raise and discuss matters of interest, and consult with senior managers on behalf of the wider staff team.

Both mechanisms are grounded in the principles of Fair Work and have been designed to strengthen employee voice across TPS. Together, they help sustain open dialogue with colleagues on matters that are relevant to them, the organisation and the wider sector.

Fair and effective voice remains a key part of our commitment as a Fair Work employer. It guides our ongoing aim to develop and improve the ways in which staff can contribute to decision-making, organisational learning and a shared sense of community. We continue to work constructively with both Unite and the People Matter Forum, creating shared spaces where matters of mutual interest can be openly discussed, considered and acted upon. This ensures that colleagues across TPS have meaningful opportunities to be heard and to contribute to the future direction of the organisation.

Employee Engagement

TPS engages with colleagues through a dual-channel model comprising our Joint Recognition Agreement with Unite the Union and our staff-elected representative body, the People Matter Forum. Both channels meet regularly and provide important routes for communication, consultation and engagement across the organisation.

This approach enables TPS to fulfil its commitment to genuine consultation and meaningful discussion with colleagues. It also provides a clear structure through which staff can be involved in matters affecting them, including organisational change, pay proposals, employment policy, and wider issues relating to the performance and sustainability of the organisation.

Our dual-channel mechanism is used to consult on pay proposals, with Unite members receiving a consultative ballot in line with the recognition agreement. This enables colleagues to indicate whether they support proposals or whether further negotiation and consultation is required.

These arrangements help ensure that all colleagues have the opportunity for their voice to be heard. They also support a genuine two-way flow of information between staff, managers and the organisation, in line with the principles of Fair Work and the requirements of the Information and Consultation of Employees regulations.

During the year, positive steps were taken to further involve and engage employees at all levels of the organisation. Working together with our Unite the Union full-time official at both a national and local level has enabled us to strengthen the support available through our recognised trade union arrangements. These actions alongside the work of our full-time Chairperson post for the People Matter Forum demonstrates our continued commitment to fair and effective voice and has brought renewed energy, visibility and focus to the Forum.

The strength of employee engagement across TPS was also reflected in the 2025 Sunday Times Best Places to Work survey, powered by WorkL. TPS achieved an average engagement score of 89%, with a 55% response rate, and was ranked in the Top 10 Sunday Times Best Places to Work: Big Organisation. The survey results showed Excellence across all six engagement pillars, including Information Sharing at 89%, Empowerment at 89%, Wellbeing at 87%, and Instilling Pride at 92%.

These results provide strong evidence that staff feel informed, trusted, supported and proud to work for TPS. They also demonstrate the positive impact of our continued investment in employee voice, staff representation, inclusive leadership and organisational communication.

People with Disabilities

TPS remains committed to being an equal opportunities employer and to being recognised as an employer of choice for people from all backgrounds and abilities. We continue to use external accreditation and recognition frameworks to help hold ourselves to account and to support ongoing improvement in our employment practice.

TPS is a Disability Confident Committed employer. This reflects our positive approach to recruitment, retention and support for disabled people, including the use of reasonable adjustments, risk assessment and supportive management practice. This approach applies both to people joining the organisation and to existing employees.

Where members of staff become disabled during their employment, every effort is made to support them to remain in employment wherever possible. Appropriate support, adjustments and training are considered to enable continued employment and participation in the workplace. TPS remains committed

to ensuring that training, career development and promotion opportunities for disabled colleagues are, as far as possible, equivalent to those available to all other employees.

The 2025 Sunday Times Best Places to Work survey, powered by WorkL, provides further assurance of our inclusive and supportive culture. TPS achieved an average engagement score of 89%, with strong results including 90% of respondents stating that they are treated with respect, 89% saying they feel happy and safe within their working environment, and 88% saying their employer cares for their wellbeing. The Diversity and Inclusion measure was also rated Excellent.

TPS recognises its legal obligations under the Equality Act 2010 and remains committed to being an enabling and supportive employer. Our commitment goes beyond statutory compliance and is closely connected to our wider values and citizenship-led approach. This includes recognising the contribution of people with lived experience, including experience of homelessness, addiction, disability or caring responsibilities.

Our Carer Positive accreditation at Established level further demonstrates that we recognise the impact that disability, health conditions and caring responsibilities can have on our workforce. We continue to work to support colleagues both in and out of the workplace because we value the contribution they make to TPS and to the people we support.

Strategic Direction

The Scottish social care landscape continues to evolve at an unprecedented pace. Whilst financial pressures, demographic change and workforce challenges have shaped the operating environment for several years, the direction of travel is now becoming increasingly clear. The conversation has shifted from managing immediate pressures towards more fundamental questions about the future design, sustainability and delivery of public services.

Towards the end of the previous Parliamentary session, the Scottish Government set out an increasingly ambitious agenda for public service reform, recognising that traditional models of delivery will require significant change if they are to remain sustainable over the coming decades. As the new Parliament begins its work, we are already seeing early steps towards implementing that agenda. Whilst the precise implications for Turning Point Scotland remain uncertain, we believe it is increasingly likely that the sector will experience significant structural change during the lifetime of our current strategy.

Rather than viewing this solely as a challenge, Trustees recognise that this period of reform also presents an opportunity. It offers the potential for a wider reset of how social care is commissioned, delivered and valued, creating opportunities for organisations with strong values, proven capability and a willingness to evolve.

Turning Point Scotland has therefore begun to look beyond the immediate demands of our current Strategic Plan and consider the longer-term role we wish to play within Scotland's changing public service landscape.

One clear conclusion has already emerged. Whilst commissioned public services will remain central to our purpose, the organisation must continue to diversify both its activities and its sources of income if it is to strengthen long-term resilience. The increasing financial pressures affecting public services reinforce the importance of reducing our dependency on traditional commissioned income wherever appropriate, whilst building upon the specialist knowledge, expertise and capabilities that have been developed across the organisation over many decades.

Over the past year we have therefore begun exploring a range of future opportunities that build upon our recognised strengths, considering how these capabilities might be applied in new ways to create greater organisational sustainability while continuing to maximise our social impact. This work remains at an early stage but reflects a conscious intention to broaden our strategic horizons and ensure that Turning Point Scotland is well positioned for whatever shape future public service reform ultimately takes.

The period leading to 2028 will therefore serve two important purposes.

Firstly, it remains our priority to deliver the commitments and ambitions contained within our current Strategic Plan, consolidating the considerable progress already made and ensuring that Turning Point Scotland continues to provide high-quality, person-centred services throughout a period of considerable change.

Secondly, this period provides the opportunity to observe, understand and engage with the emerging national direction of travel. As reform proposals develop, we intend to work closely with the people we support, our workforce, partners, commissioners, policymakers and Trustees to ensure that our future strategic choices are informed by evidence, experience and collaboration rather than assumption.

The development of our next corporate strategy will therefore not simply represent the continuation of the current plan. We anticipate that it will mark a significant evolution in Turning Point Scotland's role as a provider of public services, reflecting both the changing expectations of the sector and our ambition to remain a leading, innovative and sustainable organisation capable of delivering lasting impact across Scotland.

Throughout this process one principle will remain unchanged. Whilst the environment around us will continue to evolve, our purpose, our values and our commitment to improving the lives of the people we support will continue to provide the foundation upon which every future strategic decision is made.

Whilst still very early in the process the anticipated shift we anticipate seeing will be from a highly responsive and pressured context to one that is more positive, ambitious and self-confident in managing our own service standards and market destiny. We aim to achieve this with a direction of travel that is:

- Less dependent on traditional commissioning arrangements;
- More diversified and financially resilient;
- Increasingly recognised and valued for our expertise and intellectual capital; and
- Become increasingly influential in helping shape the future of Scottish social care rather than simply delivering within it.

Monitoring Performance

At Turning Point Scotland (TPS), we are committed to delivering high-quality services, strong leadership and continuous innovation, with people at the centre of everything we do. To support this commitment, we have robust arrangements in place to monitor performance, assure quality and drive continuous improvement across the organisation.

How We Monitor Our Performance

1. Information and Data Management

We gather and analyse a wide range of information to assess organisational performance. This includes financial management data, workforce information (such as absenteeism and training), health and safety data, incident reporting, quality assurance findings, service user outcomes and staff activity. An organisation wide outcomes database enables us to review both quantitative and qualitative information, supporting the identification of trends, risks and areas for improvement.

During the year, TPS made a significant investment in a new data management system, which will further increase our capacity to capture, analyse and manage information and outcomes through the effective use of artificial intelligence.

2. Outcomes and Impact

Our primary focus is achieving positive outcomes for the people we support. We use established outcomes frameworks to track changes in people's lives and to understand the impact of our services at individual, service and organisational levels. The views of people we support, their families, partners and staff are actively sought and monitored, strengthening our understanding of impact and directly informing service development.

3. Delivery of Strategic Objectives

All workstreams are aligned to our Strategic Plan, with clear mechanisms in place to monitor progress against strategic priorities and organisational goals. Progress is reviewed and updated on a regular basis to ensure delivery remains on track and objectives are achieved.

4. Audit and Quality Assurance

Our internal audit and quality assurance arrangements are well established and include local service audits alongside an annual centrally run Service Practice Audit, overseen by the Quality and Audit Manager. Findings from audit activity directly inform Service Improvement Plans and support continuous improvement. During the year, our monitoring systems (and regulatory inspection) have demonstrated the continued maintenance of high levels of quality and regulatory compliance across the organisation.

5. Governance and Oversight

The effectiveness of our systems and services is monitored through a structured programme of governance and oversight meetings. These arrangements provide assurance, promote organisational learning and support timely action where improvement is required.

Driving Improvement, Quality and Performance

1. Local Service Improvement

Each service maintains a robust Service Improvement Plan, informed by quality assurance activity and aligned to both local and national priorities. Progress is monitored through established line management structures, with additional support provided by the Quality Department where required.

2. Building Staff Capability

We continue to invest in staff learning to strengthen knowledge, skills and confidence in quality assurance and improvement activity. The Quality and Audit Manager delivers targeted training on areas including self-evaluation, practice audits, safe staffing and regulatory requirements. This year has also seen significant investment in the redevelopment of the organisation's leadership programme, with quality assurance and service improvement at its core. This programme is designed to build internal leadership capacity and support the organisation's strategic objective of consistently delivering high-quality, person-centred services.

3. Board Assurance

Performance and quality information is regularly reported to, reviewed and constructively challenged by the Board. This provides strong governance, transparency and oversight, with key areas for improvement tracked and monitored at Board level.

Regulation

TPS continues to focus on providing the highest quality care. In addition to our own internal quality assurance system our services are open to scrutiny and inspection from our key regulators the Care Inspectorate and Healthcare Improvement Scotland (HIS). We had 37 services registered with the Care Inspectorate (CI) during the period 1st April 2025 to 31st March 2026 and 2 of these services are joint registrations with Healthcare Improvement Scotland (HIS). We have 10 services that currently do not require registration. This year we have had two HIS Inspections with the services scoring majority 3 – Good and one 2 – Satisfactory; from these inspections there has been six requirements and two recommendations. The services have undertaken action to work towards meeting these requirements and recommendations.

Further to this we have had seven CI inspections the results of which have been largely positive with services scoring either 4-Good or 5-Very Good. However, one service that we no longer operate scored 3 – Adequate; this service received requirements that were all met within timescales at reinspection. Furthermore, we have received three requirements at other inspections, with one downgraded to an area of improvement after reinspection and the other two awaiting reinspection after significant work to improve. they are applicable services will take forward any areas of improvement noted of which there

were six in total across five services. Services continue to assess themselves against regulatory standards and maintain improvement plans to ensure continued compliance and improvement.

Streamlined energy and Carbon Reporting (SECR)
Streamlined Energy and Carbon Reporting (SECR) is a mandatory annual requirement designed to help increase awareness of energy costs and provide data to adopt energy efficient measures to reduce climate change. Our annual report is detailed below:

UK Greenhouse gas emissions and energy use data

		2025/26		**2024/25**
Energy consumption		**kWh**		**kWh**
		3,554,004		3,757,647
Emissions of CO2 equivalent	**Metric**	**Metric**	**Metric**	**Metric**
Scope 1 – direct emissions	**tonnes**	**tonnes**	**tonnes**	**tonnes**
- Gas combustion	364.3		397.46	
- Fuel consumed for owned transport	25.8		13.80	
		390.1		411.26
Scope 2 – indirect emissions				
- Electricity purchased		135.10		184.30
Scope 3 – other indirect emissions				
- Business travel in employee-owned vehicles		167.4		153.49
Total gross emissions		692.6		749.05
Intensity ratio				
Tonnes CO2e per £m annual revenue		14.4		16.82

Quantification and reporting methodology
We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity Measure
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per £m annual revenue.

Measures taken to improve energy efficiency
During the financial year 2025/26 we carried out roof repairs and insulation works at our Dumfries office. We are continuing to move non-half hourly meters over to smart meters where we can gain further insights into consumption patterns. For services where TPS owns the property we continue to look into measures we can take to reduce energy consumption.

External Accreditation & Recognition

Investors in People (IIP)

TPS began its journey with Investors in People in 1999. As the organisation has grown and developed, the importance placed on investing in and developing our people has remained a consistent and defining feature of TPS.

In 2024, we were delighted to be successfully reaccredited at Investors in People Platinum level. Platinum is the highest level of accreditation available and represents a significant external endorsement of our approach to leadership, engagement, development and continuous improvement.

Achieving Platinum accreditation is a considerable accomplishment. Maintaining this level is equally important, as it requires organisations to continue evidencing high standards and sustained practice over time. For TPS, this recognition reflects the commitment, dedication and values of our staff across the organisation.

This commitment to people was further recognised in 2025 when TPS was ranked in the Top 10 Sunday Times Best Places to Work: Big Organisation, powered by WorkL. The survey results showed an average engagement score of 89% and Excellence across all six engagement pillars. In addition, we have been highly commended as a Best Place to Work for LGBTQIA+ employees, a reflection of our strong commitment to inclusion, diversity, and equality. Together, our Investors in People Platinum accreditation and Sunday Times recognition provide strong external assurance that TPS continues to invest in its people, listen to staff, promote inclusion and create a workplace where colleagues can contribute fully to our shared purpose. These milestone achievements mark the path as we progress towards reaccreditation in the year ahead.

HR NETWORK National Awards

During the year, TPS received further external recognition through the HR NETWORK National Awards 2025, which celebrate excellence and achievement across the Scottish HR profession. TPS was shortlisted in three categories: Leading with Kindness, Health and Wellbeing Award of the Year, and HR Team of the Year. The Health and Wellbeing category recognises organisations that can demonstrate a strong commitment to the health and wellbeing of their people, while the Leading with Kindness category recognises empathetic leadership, care for colleagues and positive organisational impact.

This recognition was particularly significant as it reflected the innovative nature of TPS's developing Holistic Approach to Absence Management. The approach was shortlisted while still at pilot stage, before moving into practical implementation across the organisation. This provided important independent validation from industry experts that the direction of travel was progressive, credible and well regarded. It also reinforced that the work was not simply a policy review, but a values-led attempt to reshape how absence, wellbeing, recovery and support are understood and experienced in practice.

Although TPS did not win on the night, being shortlisted across three categories was a considerable achievement and reflected the continued quality and impact of our people work. It also marked the fifth consecutive year that TPS had been shortlisted at the HR NETWORK National Awards across multiple categories. No other organisation in any sector is understood to have achieved finalist status in this way for five consecutive years, and no other organisation from the social care sector has matched TPS's previous achievement of winning awards four years in a row.

This sustained recognition demonstrates that TPS continues to punch well above its weight. In a challenging and under-resourced social care environment, our HR and people work continues to be recognised alongside, and often ahead of, much larger and better-resourced organisations from across the public, private and not for profit sectors. It is a testament to the hard work, passion and commitment of colleagues who continue to shape TPS as a supportive, inclusive, values led and innovative employer.

During 2025, Turning Point Scotland services welcomed several visits from elected officials, all of whom were Members of the Scottish Parliament (MSPs) representing the Scottish National Party. These visits provided valuable opportunities to showcase frontline services and engage directly with policymakers. The visits included Siobhian Brown MSP, who attended the Ayr Service on 10th October; Cabinet Secretary for Housing, Mairi McAllan, who visited the Aberdeen office on 22nd October; Stuart McMillan MSP for Greenock and Inverclyde, who visited the Inverclyde Service on 3rd November; Maree Todd MSP, Minister for Drug and Alcohol Policy and Sport, who visited the Glasgow Alcohol and Drug Residential Recovery Service on 5th November; and Tom Arthur MSP, Minister for Social Care and Mental Wellbeing, who visited the Inverclyde Service on 12th November, accompanied by Stuart McMillan MSP.

The visits by Ministers and the Cabinet Secretary followed correspondence issued on behalf of the Chief Executive, Neil Richardson, congratulating colleagues on their appointments following the Scottish Government Cabinet reshuffle in June 2025. These letters invited Ministers to engage with Turning Point Scotland's services and learn more about the organisation's work.

After proudly holding the Carer Positive Engaged accreditation for several years, in June 2025, we were awarded the Carer Positive Exemplary Employer accreditation - the highest level achievable. As part of this process, we submitted evidence showcasing our ongoing commitment to recognising, supporting and championing unpaid carers within our workforce. From recruitment and induction to policy development and wellbeing practices, we've worked hard to ensure that carer awareness and support are truly embedded in our everyday culture.

Financial Review

The financial year 2025/26 presented a challenging trading environment for the Group. In particular, the increase in employer National Insurance contribution rates, together with the reduction in the minimum threshold, increased operating costs by approximately £1,100,000. No corresponding relief was provided by central or local government.

Turnover decreased slightly during the year to £48,217,325 (2025: £48,233,685). The reduction was mainly attributable to the re-tendering of a major service.

Turnover was supported by strong investment returns from the Company's stock market portfolio.

Costs for the year decreased compared with the previous year, primarily reflecting the reduction in activity associated with the income reduction noted above. However, the increase in employer National Insurance obligations has affected all service budgets. Agency expenditure also reduced to £1,307,804 (2025: £1,534,805), and we will seek to maintain this downward trend.

Staff retention continues to be a challenge across a number of services. Higher levels of staff turnover increase recruitment, induction and training costs and can affect the overall level of experience within service teams.

An actuarial gain in relation to the defined benefit pension scheme of £1,601,000 has been recognised in the current year's accounts. After taking this into account, the Group reported a surplus of £743,074 (2025: deficit of £3,983,363).

The Group remains in a strong financial position, with net funds increasing to £7,332,959 (2025: £6,589,885).

The 2026/27 financial year is expected to remain challenging for both the sector and the Group. Local authorities in a number of areas have indicated that service funding will be constrained, and the Charity will continue to monitor the impact of this on future service delivery and financial sustainability.

Reserves Policy

The Group holds three categories of reserves: restricted funds, which may only be applied in accordance with the purposes specified by the funder; unrestricted funds, which may be used by the Company for general charitable purposes and include funds designated by the Trustees for specific

purposes; and the revaluation reserve. At the year end, free, undesignated reserves amounted to £5,328,960, represented by the General Company Development Reserve. Further details are provided in note 22 to the financial statements.

Under the Reserves Policy, the Company seeks to hold the equivalent of two months' gross salaries within the General Company Development Reserve. The target set at the beginning of the 2025/26 financial year was £7,386,471, and the current target for 2026/27 is £7,055,018. At the year end, reserves were below the target level, principally as a result of the increased pension liability recognised in last year's accounts, as set out in note 22.

The Board is aware of the shortfall against the reserves target and is undertaking a review of the Reserves Policy. The Trustees remain committed to taking appropriate action to rebuild reserves over time.

Going Concern

For 2026/27, the Group is budgeting for a reduction in turnover to £44,950,000 (2025: £49,800,000), reflecting the full-year effect of the prior year retendering outcome, further cuts and funding reductions. The Group is forecasting a deficit of £572,000 for the year; however, this position may change as negotiations regarding the 2026/27 staff pay award have not yet concluded.

The Group is operating in an uncertain funding environment. Services have been closed and funding reductions have been imposed already in 2026/27; however, the Trustees consider that any reduction in funding will require a corresponding review of service delivery and related costs.

As services come up for re-tender over the coming years, the Group will seek to reflect increased employment costs, including employer National Insurance contributions, within future pricing where possible. An action plan to identify cost savings and efficiency opportunities across both central functions and service operations has commenced.

The company ended the year with liquid funds of cash and investments of £7,439,248 and this position is expected to remain strong into the next financial year.

The Board of Trustees has considered the Group's budgets and forecasts for the period of at least twelve months from the date of approval of these financial statements, together with the Group's reserves position and available financial resources. On this basis, the Trustees have a reasonable expectation that the Group and Company will continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

Turning Point Scotland Charitable Donations

During the 2025/26 year the Make It Happen fund awarded £12,617 in small grants to 47 different people who have been supported by TPS services. Awards were granted to support people to achieve their aspirations and goals.

There were 17 awards for laptops made during the year, an increase of 30% from the previous year, reasons often cited for these applications were to enable the recipient to search for employment, apply for work, complete online training, or communicate with others. Pursuing a new or existing hobby was another leading category with awards granted for arts & crafts, musical instruments, physical activities, and sports equipment.

5 awards were granted to TPS staff members who applied on behalf of their service; each grant helped to facilitate one-off group activities for people being supported by their service.

Risk Management

The company has a company-wide risk management plan with which financial and non-financial risks are assessed and managed and in 2025/26 we continued to build on the approach established in previous years.

The high-level risks as of 31st March 2026 are noted below:

- The deteriorating state of public funding in Scotland has led local authorities to increasingly make social care decisions at both a macro and micro level which are driven by cost pressures and the need to make short-term savings. TPS have been affected by this and we are now at risk of feeling the effects of this through funding reductions and contraction of services as more purchasers move to reduce or cut funding for "non-essential services". TPS are at risk of losing services and the associated finances and ability to safely support people through either services being withdrawn or TPS choosing to no longer provide the services as they are not safe, quality and/or financially viable. (Risk #44)

- As a consequence of Glasgow City Properties pursuing a claim of £800k dilapidations costs following the closure of 218 Service, there is a risk to the overall organisational finances of TPS if the claim has to be met; resulting in an impact on our ability to meet reserve targets, satisfy financial covenants in relation to pensions and financial standing in tenders as well as lead to challenges in our ongoing service delivery. The risk could be further exacerbated if other, yet to be evaluated, liabilities were to crystallise e.g. liabilities relating to other CPGI leases (Risk #49)

Risk	Strategy to Manage Risk
The deteriorating state of public funding in Scotland has led local authorities to increasingly make social care decisions at both a macro and micro level which are driven by cost pressures and the need to make short-term savings. TPS have been affected by this and we are now at risk of feeling the effects of this through funding reductions and contraction of services as more purchasers move to reduce or cut funding for "non-essential services". TPS are at risk of losing services and the associated finances and ability to safely support people through either services being withdrawn or TPS choosing to no longer provide the services as they are not safe, quality and/or financially viable (Risk #44).	**EXEC TEAM responses:** • Initiating with the current service review process a proactive mechanism to identify services which are likely to fall into the above risk criteria. • Ensure the Exec Team are regularly appraised of service concerns/issues to allow for the development of action plans. • Identify a member of the Exec Team to ensure action plans are being followed, and the Exec Team are kept appropriately informed. **ORGANISATIONAL responses:** • Continued monitoring of finances to ensure that medium term financial strategy continues to be adhered to and fit for purpose – ongoing. • Tightly monitor detailed Flight Path which incorporates all known current positive and negative factors which will impact on TPS' financial performance over the next 3 years – ongoing.

As a consequence of Glasgow City Properties pursuing a claim of £800k dilapidations costs following the closure of 218 Service, there is a risk to the overall organisational finances of TPS if the claim has to be met; resulting in an impact on our ability to meet reserve targets, satisfy financial covenants in relation to pensions and financial standing in tenders as well as lead to challenges in our ongoing service delivery. The risk could be further exacerbated if other, yet to be evaluated, liabilities were to crystalise e.g. liabilities relating to other City Properties Glasgow Investments (CPGI) leases such as Glasgow Alcohol & Drug Crisis Service and Glasgow Alcohol & Drugs Recovery Residential Service (Risk #49)	• Continue to address all outstanding issues of CPGI leases drawing on legal supports as and when necessary. • Continue to work to get Glasgow HSCP as the service commissioners in relation to the liabilities which relate to lease issues. • Continued monitoring of the legal or potential financial liability in relation to the other TPS services and making decisions which protect the financial health of TPS. • Actively evaluating other liabilities to enable plans to be put in place to reduce\avoid them • Sound financial stewardship of TPS's wider financial position to ensure that there is headroom to meet the eventual agreed cost. • Continue to work with and engage external stakeholder to effectively communicate the potential risks faced by TPS in regard to this dispute

These risks are reviewed and discussed regularly by the Executive Team and at every Audit & Risk Assurance Committee meeting. The strategies in place to manage the above risks are set out below.

Structure, Governance and Management
Turning Point Scotland is a company limited by guarantee (Company No.194639) and a registered charity (Charity No. SC028827) governed by its Memorandum and Articles of Association.

The Trustees amended the charity's constitutional objects in April 2024. The Scottish Charity Regulator have updated the charity's records accordingly.

The charity has one wholly-owned subsidiary undertaking, Turning Point Scotland Services Limited (Company No. SC245852) the results of which are consolidated with those of the charity, and together they are referred to as 'the Group'.

The Audit and Risk Assurance Committee
The Board is responsible for preparing accurate financial statements; identifying, assessing and mitigating major risks to Turning Point Scotland; and establishing, maintaining and reviewing internal controls and processes. To support this responsibility, the Board has established an Audit and Risk Assurance Committee. Committee members are appointed by the Board, with five Trustees currently serving on the Committee. At least one member must have recent and relevant financial experience. The Committee reviews its Terms of Reference and Workplan annually and meets five times each year.

Directors and Trustees
The Directors of the charitable company ("the charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

The Board is responsible for the recruitment, selection and induction of new Trustees. We have a comprehensive process for the recruitment and selection of Trustees. The first step in the process is to carry out a skills audit to capture the skills, competencies, knowledge and experience of existing Trustees and to identify any gaps. Trustee vacancies are advertised externally through various platforms and networking forums. Prospective Trustees receive a recruitment candidate brief which provides a balanced and realistic picture of what being a Trustee entails.

Shortlisting and interviews are consistent and take place against agreed criteria to ensure a fair and objective approach. Appropriate checks are carried out before confirming new Trustee members in post, these include taking up references, eligibility checks, search the register of disqualified directors at Companies House and PVG (Protecting Vulnerable Groups) membership scheme. Following the appointment of a Trustee, we inform and update the relevant bodies such as Companies House, Healthcare Improvement Scotland (HIS) and the Care Inspectorate.

Trustees are required to undergo an induction process and to undertake relevant training. This ensures Trustees know their role, the charity and their legal responsibilities. It also reassures the Board that new Trustees have an awareness and understanding of key policies and procedures such as health and safety and data protection. Training on governance, finance and risk management is provided during the Trustee's induction period. New Trustees are mentored by a more experienced Trustee and have receive regular support from the Chair and Vice Chair as well as an annual appraisal.

A work plan is in place to ensure we review Board policies and processes on a regular basis. The Board reviewed the following policies and processes this year:

- Review of Memorandum and Articles of Association
- Review of Trustee Governance Manual
- Review of Annual Accounts for year ending 31/03/26
- Review of Fraud Policy
- Review of Recruitment and Selection of Chief Executive Policy
- Review of Emergency and Interim Procedures of Chief Executive
- Review of Supervision, Appraisal and Salary of Chief Executive

The Audit and Risk Assurance Committee produce an annual report which is presented to the Board in September. The Board review the risk management plan/risk register, risk appetite and mitigation actions on an annual basis.

The Annual General Meeting was held in September 2025, and the Board held a Strategy Day in November 2025.

Key management personnel remuneration
The Board of Trustees has ultimate responsibility for the operations of the charity.

The Trustees consider the Chief Executive, Director of Finance & Resources, Director of Operations and the Director of Business Development & Improvement as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis.

The Trustees receive no remuneration for fulfilling their role as trustees other than travelling expenses.

Remuneration Review of Chief Executive and Directors
The Board's intention is to continue to ensure that senior salaries remain competitive rather than being the highest payer in the sector. The Board delegated the process to review the salary of the Chief Executive and Directors to the Remuneration Committee comprising of the Chair, Vice Chair and one Trustee from the Audit Committee, with support from the Head of Corporate Governance.

The Remuneration Committee commissions external benchmarking at least every third year and records the main benchmarking data used to inform decisions in order that current cases are made on a comparable basis to historic ones.

A light touch audit is used to assess the need for adjustment either because of significant changes in the external environment (e.g. rapid changes in inflation, etc.) and/or any significant adjustment in roles, responsibility or scope of work for senior staff.

The Chair notifies the Head of Corporate Governance in writing of the outcome of the review and for action.

Trustees' Report (incorporating the Strategic Report) for the year ended 31st March 2026

Reference and administrative Information
Directors and Trustees

Graeme Cook	Chair
Peter Gabbitas	Vice chair
Lorna Gibbs	
Patricia Cassid	
Marc Mazzucco	
Jennifer Thomson	
Allan Clow	
Murray Husband	
Alexander Douglas McLaren	
Fiona Walker	
Stephen Plummer	Retired 22/09/2026
Alison Bunce	Retired 22/09/2026

Secretary and Registered Office

T C Young LLP
Merchants House
7 West George Street
Glasgow
G2 1BA

Principal Office

54 Govan Road
Glasgow
G51 1JL

Auditor

RSM UK Audit LLP
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Bankers

Bank of Scotland
167-201Argyle Street
Glasgow
G2 8BU

Solicitor

Brodies LLP
58 Morrison Street Capital Square
Edinburgh
EH3 8BP

Trustees' Report

Trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Turning Point Scotland for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

Auditor

RSM UK has acted as auditor to the charitable company and has audited the financial statements for the year ended 31 March 2026. Henderson Loggie has been appointed as auditor for the financial year ending 31 March 2027.

The Trustees' report (incorporating the strategic report) was approved by the Board on 22/09/26 by:

Graeme Cook
Chair

Marc Mazzucco
Trustee

Independent Auditor's Report to the Members and Trustees of Turning Point Scotland For the year ended 31 March 2026

Opinion

We have audited the financial statements of Turning Point Scotland (the 'parent charitable company') for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, the Company Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2026; and of the group's and the parent charitable company's incoming resources and application of resources, including their 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 parent 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.

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 parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members and Trustees of Turning Point Scotland
For the year ended 31 March 2026

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 directors' report and the strategic report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual report, have 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 the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 26 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report to the Members and Trustees of Turning Point Scotland
For the year ended 31 March 2026

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), and tax and VAT legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, and review of correspondence with relevant authorities; if applicable.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to care legislation, employment law, health and safety legislation and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities where applicable and conducted a search of online registers in respect of data protection, health and safety, and Care Inspectorate reporting.

The audit engagement team identified the risk of management override of controls and the existence and cut off of contract and grant income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to management override of controls included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates. Audit procedures performed in relation to existence and cut off of contract and grant income included but were not limited to testing a sample of income amounts in the year to confirm the income recognition criteria were met; and testing a sample of post year end income to confirm that items were recorded in the correct period; again with reference to the income recognition criteria.

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

Independent Auditor's Report to the Members and Trustees of Turning Point Scotland For the year ended 31 March 2026

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kelly Adams MA (Hons) CA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Date 7/10/26

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

TURNING POINT SCOTLAND

Consolidated Statement of Financial Activities (incorporating income and expenditure account)
For the year ended 31 March 2026

	Notes	Unrestricted Funds £	Restricted Funds £	2026 £	2025 £
Income and endowments from:					
Donations and legacies	6	13,415	-	13,415	69,861
Charitable activities	7	47,788,761	338,315	48,127,076	48,094,505
Investment income	8	67,160	-	67,160	62,583
Other income		9,674	-	9,674	6,736
Total income and endowments		47,879,010	338,315	48,217,325	48,233,685
Expenditure on:					
Charitable activities	9	(48,954,890)	(375,193)	(49,330,083)	(50,115,283)
Total expenditure		(48,954,890)	(375,193)	(49,330,083)	(50,115,283)
Deficit of Funds		(1,075,880)	(36,878)	(1,112,758)	(1,881,598)
Net gain on revaluation of investments		254,832	-	254,832	55,749
Net expenditure	14	(821,048)	(36,878)	(857,926)	(1,825,849)
Recognised gains/(losses)					
Gains on revaluation of fixed assets		-	-	-	633,486
Actuarial gain on defined benefit pension scheme	26	1,601,000	-	1,601,000	966,000
Remeasurement of pension obligations	26	-	-	-	(3,757,000)
Net movement in funds		779,952	(36,878)	743,074	(3,983,363)
Total funds brought forward	22	6,231,308	358,577	6,589,885	10,573,248
Total funds carried forward	22	7,011,260	321,699	7,332,959	6,589,885

All income and expenditure is from continuing activities.

All recognised gains and losses in the current and previous year are included in the Statement of Financial Activities.

The notes on pages 37 to 65 form part of these financial statements

TURNING POINT SCOTLAND

Company Statement of Financial Activities (incorporating income and expenditure account)
For the year ended 31 March 2026

	Notes	Unrestricted Funds £	Restricted Funds £	2026 £	2025 £
Income and endowments from:					
Donations and legacies	6	13,415	-	13,415	69,861
Charitable activities	7	47,788,761	338,315	48,127,076	48,094,505
Investment income	8	799,122	-	799,122	283,109
Other income		9,674	-	9,674	6,736
Total income and endowments		48,610,972	338,315	48,949,287	48,454,211
Expenditure on:					
Charitable activities	9	(49,479,595)	(375,193)	(49,854,788)	(50,847,245)
Total expenditure		(49,479,595)	(375,193)	(49,854,788)	(50,847,245)
Deficit of Funds		(868,623)	(36,878)	(905,501)	(2,393,034)
Net gain on revaluation of investments		254,832	-	254,832	55,749
Net expenditure	14	(613,791)	(36,878)	(650,669)	(2,337,285)
Recognised gains/(losses)					
Gains on revaluation of fixed assets		-	-	-	633,486
Actuarial gain on defined benefit pension scheme	26	1,601,000	-	1,601,000	966,000
Remeasurement of pension obligations	26	-	-	-	(3,757,000)
Net movement in funds		987,209	(36,878)	950,331	(4,494,799)
Total funds brought forward	22	5,481,552	358,577	5,840,129	10,334,928
Total funds carried forward	22	6,468,761	321,699	6,790,460	5,840,129

All income and expenditure is from continuing activities.

All recognised gains and losses in the current and previous year are included in the Statement of Financial Activities.

The notes on pages 37 to 65 form part of these financial statements

TURNING POINT SCOTLAND

Consolidated Balance Sheet
As at 31 March 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	16		4,934,296		5,034,996
Investments	17		3,595,854		3,273,624
			8,530,150		8,308,620
Current assets					
Debtors	18	4,338,725		5,746,570	
Cash at bank and in hand	19	3,843,394		4,477,514	
		8,182,119		10,224,084	
Creditors: Amounts falling due within one year	20	(4,559,310)		(5,521,819)	
Net current assets			3,622,809		4,702,265
Total assets less current liabilities			12,152,959		13,010,885
Provisions for liabilities	21		-		-
Net assets excluding pension scheme			12,152,959		13,010,885
Defined benefit pension Scheme liability	26		(4,820,000)		(6,421,000)
Net assets			7,332,959		6,589,885
Funds					
Restricted funds	22		321,699		358,577
Unrestricted funds	22		5,328,960		4,549,008
Revaluation Reserve	22		1,682,300		1,682,300
Net funds	23		7,332,959		6,589,885

The financial statements were approved and authorised for issue by the Board on 22/09/26 and are signed on their behalf by:-

Graeme Cook, Chair

Marc Mazzucco, Trustee

Charity No: SC028827
Company No: SC194639

The notes on pages 37 to 65 form part of these financial statements

TURNING POINT SCOTLAND

Company Balance Sheet
As at 31 March 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	16		4,934,296		5,034,996
Investments	17		3,595,855		3,273,625
			8,530,151		8,308,621
Current assets					
Debtors	18	3,520,461		4,115,027	
Cash at bank and in hand	19	3,628,168		4,194,864	
		7,148,629		8,309,891	
Creditors: Amounts falling due within one year	20	(4,068,320)		(4,357,383)	
Net current assets			3,080,309		3,952,508
Total assets less current liabilities			11,610,460		12,261,129
Provisions for liabilities	21		-		-
Net assets excluding pension scheme			11,610,460		12,261,129
Defined benefit pension Scheme liability	26		(4,820,000)		(6,421,000)
Net assets			6,790,460		5,840,129
Funds					
Restricted funds	22		321,699		358,577
Unrestricted funds	22		4,786,461		3,799,252
Revaluation Reserve	22		1,682,300		1,682,300
Net funds	23		6,790,460		5,840,129

The financial statements were approved and authorised for issue by the Board on 22/09/26 and are signed on their behalf by:-

Graeme Cook, Chair

Marc Mazzucco, Trustee

Charity No: SC028827
Company No: SC194639

The notes on pages 37 to 65 form part of these financial statements

TURNING POINT SCOTLAND

Consolidated Statement of Cash Flows
As at 31 March 2026

	Note	2026 £	2025 £
Cash flows from operating activities			
Net cash used in operating activities	27	(633,882)	(598,266)
Cash flows from investing activities			
Interest receivable		32	68
Dividends received from investments		67,128	62,515
Proceeds from sale of tangible fixed assets		-	-
Additions to investment portfolio		(482,396)	(537,507)
Proceeds from disposal of investments		414,998	474,990
Payments to acquire tangible fixed assets		-	(12,740)
Net cash (used in)/provided by investing activities		(238)	(12,674)
Decrease in cash in the year		(634,120)	(610,940)
Cash and cash equivalents at 1 April		4,477,514	5,088,454
Cash and cash equivalents at 31 March		3,843,394	4,477,514
Cash and cash equivalents consist of:			
Cash at bank and in hand		3,843,394	4,477,514

The notes on pages 37 to 65 form part of these financial statements

TURNING POINT SCOTLAND

Company Statement of Cash Flows
As at 31 March 2026

	Note	2026 £	2025 £
Cash flows from operating activities			
Cash (used in) operating activities	27	(1,298,420)	(903,568)
Cash flows from investing activities			
Interest receivable		32	68
Dividends received from investments		67,128	62,515
Dividends received via gift aid		731,962	220,526
Proceeds from sale of tangible fixed assets		-	-
Additions to investment portfolio		(482,396)	(537,507)
Proceeds from disposal of investments		414,998	474,990
Payments to acquire tangible fixed assets		-	(12,740)
Net cash provided by investing activities		731,724	207,852
Decrease in cash in the year		(566,696)	(695,716)
Cash and cash equivalents at 1 April		4,194,864	4,890,580
Cash and cash equivalents at 31 March		3,628,168	4,194,864
Cash and cash equivalents consist of:			
Cash at bank and in hand		3,628,168	4,194,864

The notes on pages 37 to 65 form part of these financial statements

Notes to the Consolidated Financial Statements
For the year ended 31 March 2026

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the group's transactions are denominated. They comprise the financial statements of the company and its subsidiary (together 'the group') drawn up for the year ended 31 March 2026.

The principal activities and core business of the group continued to be that of provision of services to people with drug, alcohol or mental health problems and for people with a learning disability.

Turning Point Scotland is a private company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Regulator (OSCR) under charity number: SC028827. In the event of the winding up of the company a member (Trustee) is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number can be found on the company information page of these financial statements.

2. Statement of compliance

The financial statements are prepared in compliance with United Kingdom Accounting Standards including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented, in dealing with items which are considered material in relation to the group's financial statements unless otherwise stated.

Basis of preparation

The financial statements have been prepared under the historical cost convention (modified to include the revaluation of certain fixed assets).

Amounts in these accounts are presented in sterling and rounded to the nearest whole number unless otherwise stated.

Turning Point Scotland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in applying the accounting policies (see note 4).

Going concern

For 2026/27, the Group is budgeting for a reduction in turnover to £44,950,000 (2025: £49,800,000) reflecting the full-year effect of the prior year retendering outcome, further cuts and funding reductions. The Group is forecasting a deficit of £572,000 for the year; however, this position may change as negotiations regarding the 2026/27 staff pay award have not yet concluded.

The Group is operating in an uncertain funding environment. Services have been closed and funding reductions have been imposed already in 2026/27; however, the Trustees consider that any reduction in funding will require a corresponding review of service delivery and related costs.

The company ended the year with liquid funds of cash and investments of £7,439,248 and this position is expected to remain strong into the next financial year.

3. Accounting policies (going concern cont'd)

As services come up for re-tender over the coming years, the Group will seek to reflect increased employment costs, including employer National Insurance contributions, within future pricing where possible. An action plan to identify cost savings and efficiency opportunities across both central functions and service operations has commenced.

The Board of Trustees has considered the Group's budgets and forecasts for the period of at least twelve months from the date of approval of these financial statements, together with the Group's reserves position and available financial resources. On this basis, the Trustees have a reasonable expectation that the Group and Company will continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

Basis of consolidation

The group financial statements consolidate the financial statements of the charity and its subsidiary undertaking, Turning Point Scotland Services Limited. The results of the subsidiary are consolidated on a line by line basis.

The subsidiary entity, Turning Point Scotland Services Limited, applies FRS 102 but not the Charities SORP 2019. Management have assessed the differences arising in the accounting frameworks and no adjustments have arisen as a result of the differences in frameworks.

Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income includes:

Contract income

Contract income from Local Authorities is recognised when the service is provided. Any amounts received in advance of services provided are treated as deferred income.

Rental income

Rental income from the group's properties and income from café sales are included in income in the period to which it relates.

Donations and grants

Income from donations and grants, including capital grants, are included in the Statement of Financial Activities when the group is entitled to the income, it is probable that the income will be received and the amounts can be measured reliably, except as follows:

- when donors specify that donations and grants given to the group must be used in future accounting periods, the income is deferred until those periods;
- when donors impose conditions which have to be fulfilled before the group becomes entitled to use such income, the income is deferred and not included in the Statement of Financial Activities until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in the Statement of Financial Activities as restricted funds when receivable.

Interest receivable

Interest is included when receivable by the group.

3. Accounting policies (cont'd)

Investment income

Investment income is recognised when receivable by the group.

The charity's investment income includes the distribution of earnings from its subsidiary company which pays all its taxable profits for the reporting period to the parent charity under the Gift Aid Scheme. In line with the amended FRS 102, this Gift Aid income is only recognised on receipt of this distribution or when there is a legal obligation established.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Certain expenditure is directly attributable to specific activities and has been included in those cost categories, as follows:

- Charitable expenditure comprises those costs incurred in the delivery of the group's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include the cost of governance arrangements which relate to the general running of the group as opposed to the management functions inherent in generating funds, service delivery and programme or project work. This includes such items as internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements. These costs are included in support codes and are apportioned there.
- Support costs which are attributable to more than one activity are apportioned across activities on the basis of the relative direct cost of those activities.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions

From the year ended 31 March 2025, it was possible to obtain sufficient information to enable the Company to account for its Scheme obligation as a defined benefit scheme. A one off remeasurement cost was recognised in the 2024/25 financial statements, reflecting the move to defined benefit accounting.

The scheme was closed to new members with effect from 31 March 2011 and was closed to future accrual with effect from 31 March 2012. On 1 April 2012, the company set up a defined contribution pension scheme.

Following the 31 March 2022 triennial review, the recovery plan was updated. Under the recovery plan, Turning Point Scotland was required to make annual payments in 2024/25 of £423,045. Annual contributions will then increase in line with the Consumer Price Inflation until 31 January 2031. The next triennial review due to begin in 31 March 2025.

3. Accounting policies (pensions cont'd)

The group also participates in a defined contribution pension scheme operated by Legal & General. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the scheme rules.

Taxation

The company is a charity and is recognised as such by HM Revenue and Customs for taxation purposes. As a result there is no liability to taxation on any of its income.

Tangible fixed assets and depreciation

Items costing less than £3,000 are not capitalised. Capital items which are used exclusively on a particular project are written off to that project's expenditure in the year of acquisition. Freehold property is valued on a market value basis periodically (last valuation being 31 March 2025) with the revaluation method being used to account for freehold property; with revaluations being posted to a revaluation reserve. The Trustees are satisfied that this continues to be an accurate representation of value at the reporting date. Depreciation is charged after the date of revaluation until the following revaluation occurs. All other categories of fixed assets below are held at cost less depreciation. Depreciation is provided to write off the cost, less estimated residual values, of tangible fixed assets evenly over their expected useful lives.
It is calculated at the following rates:

Freehold property	-	2% straight line
Motor vehicles	-	fully depreciated in year of purchase
Fixtures and fittings	-	15% straight line
Computer equipment	-	25% straight line

Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Quoted Fixed Asset Investments have been incorporated at mid-market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities comprising trade and other debtors and creditors, and amounts due from group entities. Debt instruments that are payable or receivable within one year are measured, initially and subsequently, at the undiscounted amount of the cash expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

3. Accounting policies (cont'd)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Revaluation reserve

A revaluation reserve is in place representing the difference between the net book value under the revaluation method and the net book value that the assets would have had under the original cost method. Releases are made out of this revaluation reserve into unrestricted funds as the assets in question depreciate.

Restricted funds

Restricted funds are to be used for specific purposes as laid down, either implicitly or explicitly, by the donor. Expenditure which meets the criteria is charged to the fund, together with a fair allocation of overhead support costs.

Unrestricted funds

Unrestricted funds comprise funds raised and other income received or generated for charitable purposes.

Designated funds

Designated funds are funds earmarked for particular purposes by the trustees. Designated funds are recognised where the purpose is a specific expected outflow of funds over a specified timeframe. The designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

4. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The trustees are satisfied that the accounting policies are appropriate and applied consistently.

Pensions

Significant estimations have been applied to the pension assumptions. Pension assumptions and the discount rate applied to the past service deficit pension liability have been reviewed and have been deemed to be appropriate based on assumptions provided by an external pensions advisor.

Asset valuations

The group estimates the value of its freehold property with reference to surveys carried out by external qualified surveyors.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2026

5. Comparative Statement of Financial Activities (incorporating Income and Expenditure Account)

Group	Unrestricted Funds £	Restricted Funds £	2025 £
Income and endowments from:			
Donations and legacies	27,151	42,710	69,861
Charitable activities	47,761,645	332,860	48,094,505
Investment income	62,583	-	62,583
Other income	6,736	-	6,736
Total income and endowments	47,858,115	375,570	48,233,685
Expenditure on:			
Charitable activities	(49,746,849)	(368,434)	(50,115,283)
Total expenditure	(49,746,849)	(368,434)	(50,115,283)
Net gain on revaluation of investments	55,749	-	55,749
Net (expenditure)/income	(1,832,985)	7,136	(1,825,849)
Gain on revaluation of assets	633,486	-	633,486
Actuarial gain on defined benefit pension scheme	966,000	-	966,000
Remeasurement of pension obligations	(3,757,000)	-	(3,757,000)
Net movement in funds	(3,990,499)	7,136	(3,983,363)

TURNING POINT SCOTLAND

Company	Unrestricted Funds £	Restricted Funds £	2025 £
Income and endowments from:			
Donations and legacies	27,151	42,710	69,861
Charitable activities	47,761,645	332,860	48,094,505
Investment income	283,109	-	283,109
Other income	6,736	-	6,736
Total income and endowments	48,078,641	375,570	48,454,211
Expenditure on:			
Charitable activities	(50,478,811)	(368,434)	(50,847,245)
Total expenditure	(50,478,811)	(368,434)	(50,847,245)
(Deficit)/Surplus of Funds	(2,400,170)	7,136	(2,393,034)
Net gain on revaluation of investments	55,749	-	55,749
Net (expenditure)/income	(2,344,421)	7,136	(2,337,285)
Gain on revaluation of fixed assets	633,486	-	633,486
Actuarial gain on defined benefit pension scheme	966,000	-	966,000
Remeasurement of pension obligations	(3,757,000)	-	(3,757,000)
Net movement in funds	(4,501,935)	7,136	(4,494,799)

Notes to the Consolidated Financial Statements
For the year ended 31 March 2026

6. Donations and legacies

Group and company	Unrestricted Funds £	Restricted Funds £	2026 £	2025 £
Donations	13,415	-	13,415	69,861
	13,415	-	13,415	69,861

7. Charitable Activities

Group and company	Unrestricted Funds £	Restricted Funds £	2026 £	2025 £
Alcohol and other drugs	7,556,980	338,315	7,895,295	7,734,538
Homelessness	9,266,948	-	9,266,948	11,163,602
Mental health	1,933,082	-	1,933,082	1,970,141
Housing support	2,040,449	-	2,040,449	1,757,102
Learning disability	23,892,948	-	23,892,948	23,125,698
Criminal justice	2,762,804	-	2,762,804	2,034,296
Housing management	335,550	-	335,550	309,128
	47,788,761	338,315	48,127,076	48,094,505

8. Investment income

Group	Unrestricted Funds	Restricted Funds £	2026 £	2025 £
Bank interest	32	-	32	68
Dividend income	67,128	-	67,128	62,515
	67,160	-	67,160	62,583

Company	Unrestricted Funds £	Restricted Funds £	2026 £	2025 £
Bank interest	32		32	68
Amounts received from subsidiary undertaking – Gift Aid	731,962	-	731,962	220,526
Dividend income	67,128	-	67,128	62,515
	799,122	-	799,122	283,109

Notes to the Consolidated Financial Statements
For the year ended 31 March 2026

9. Expenditure on charitable activities

Group	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2026 £
Activities undertaken directly	7,301,283	7,939,398	1,799,158	1,770,166	21,934,325	2,505,578	124,965	43,374,873
Support costs (note 10)	1,002,439	1,090,051	247,017	243,037	3,011,503	344,007	17,156	5,955,210
	8,303,722	9,029,449	2,046,175	2,013,203	24,945,828	2,849,585	142,121	49,330,083

Company	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2026 £
Activities undertaken directly	7,301,283	7,939,398	1,799,158	1,770,166	21,934,325	2,505,578	124,965	43,374,873
Support costs (note 10)	1,090,763	1,186,093	268,782	264,451	3,276,841	374,316	18,669	6,479,915
	8,392,046	9,125,491	2,067,940	2,034,617	25,211,166	2,879,894	143,634	49,854,788

Notes to the Consolidated Financial Statements
For the year ended 31 March 2026

9. Expenditure on charitable activities (continued)

Comparative year:

Group	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2025 £
Activities undertaken directly	7,365,173	8,990,870	1,827,813	1,562,251	21,366,629	1,870,971	138,768	43,122,475
Support costs (note 10)	1,194,348	1,457,974	296,401	253,337	3,464,845	303,400	22,503	6,992,808
	8,559,521	10,448,844	2,124,214	1,815,588	24,831,474	2,174,371	161,271	50,115,283

Company	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2025 £
Activities undertaken directly	7,365,173	8,990,870	1,827,813	1,562,251	21,366,629	1,870,971	138,768	43,122,475
Support costs (note 10)	1,319,365	1,610,585	327,426	279,855	3,827,523	335,158	24,858	7,724,770
	8,684,538	10,601,455	2,155,239	1,842,106	25,194,152	2,206,129	163,626	50,847,245

10. Support costs

Group

	Alcohol and Other drugs £	Homeless-ness £	Mental Health £	Housing Support £	Learning Disability £	Criminal justice £	Housing management £	Total 2026 £
Salaries	762,377	829,007	187,862	184,835	2,290,313	261,625	13,048	4,529,067
Operating costs	222,948	242,434	54,938	54,053	669,776	76,509	3,816	1,324,474
Property running costs	6,571	7,146	1,619	1,593	19,741	2,255	112	39,037
Maintenance costs	4,263	4,635	1,050	1,033	12,806	1,463	73	25,323
Governance costs (note 11)	6,280	6,829	1,548	1,523	18,867	2,155	107	37,309
	1,002,439	1,090,051	247,017	243,037	3,011,503	344,007	17,156	5,955,210

Company	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2026 £
Salaries	736,020	800,347	181,368	178,445	2,211,133	252,580	12,597	4,372,490
Operating costs	299,939	326,153	73,910	72,719	901,070	102,930	5,134	1,781,855
Property running costs	6,572	7,146	1,619	1,593	19,741	2,255	112	39,038
Maintenance costs	4,263	4,635	1,050	1,033	12,806	1,463	73	25,323
Management fee to TPSS	38,440	41,799	9,472	9,320	115,480	13,191	658	228,360
Governance costs (note 11)	5,529	6,013	1,363	1,341	16,611	1,897	95	32,849
	1,090,763	1,186,093	268,782	264,451	3,276,841	374,316	18,669	6,479,915

Support costs are allocated on the basis of actual expenditure incurred.

10. Support costs (continued)

Comparative year:

Group	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2025 £
Salaries	903,575	1,103,020	224,240	191,659	2,621,304	229,535	17,024	5,290,357
Operating costs	230,299	281,133	57,154	48,850	668,105	58,502	4,339	1,348,382
Property running costs	44,737	54,612	11,102	9,489	129,784	11,364	843	261,931
Maintenance costs	7,622	9,304	1,891	1,617	22,110	1,936	144	44,624
Governance costs (note 11)	8,115	9,906	2,014	1,721	23,543	2,062	153	47,514
	1,194,348	1,457,975	296,401	253,336	3,464,846	303,399	22,503	6,992,808

Company	Alcohol and other drugs £	Homeless-ness £	Mental health £	Housing support £	Learning disability £	Criminal justice £	Housing management £	Total 2025 £
Salaries	881,165	1,075,662	218,678	186,907	2,556,290	223,842	16,601	5,159,145
Operating costs	340,927	416,180	84,609	72,315	989,041	86,606	6,426	1,996,104
Property running costs	44,737	54,612	11,102	9,489	129,784	11,364	843	261,931
Maintenance costs	7,622	9,304	1,891	1,617	22,111	1,936	143	44,624
Management fee to TPSS	36,686	44,784	9,104	7,782	106,428	9,319	691	214,794
Governance costs (note 11)	8,228	10,044	2,042	1,744	23,869	2,090	155	48,172
	1,319,365	1,610,586	327,426	279,854	3,827,523	335,157	24,859	7,724,770

Support costs are allocated on the basis of actual expenditure incurred.

11. Governance costs

Group	Unrestricted Funds £	Restricted Funds £	2026 £	2025 £
Audit and other professional fees	37,309	-	37,309	47,514
	37,309	-	37,309	47,514
Company				
Audit and other professional fees	32,849		32,849	48,172
	32,849		32,849	48,172

12. Employees

	2026 £	2025 £
Group		
Staff costs consist of:		
Wages and salaries	38,204,585	38,511,642
Social security costs	4,217,917	3,111,699
Death in service insurance	153,294	126,744
Pension costs	1,117,222	1,085,946
	43,693,018	42,836,031
Allocated as:		
Direct costs	39,163,951	37,545,674
Support costs (note 10)	4,529,067	5,290,357
Company		
Staff costs consist of:		
Wages and salaries	38,048,008	38,380,430
Social security costs	4,217,917	3,111,699
Death in service insurance	153,294	126,744
Pension costs	1,117,222	1,085,946
	43,536,441	42,704,819
Allocated as:		
Direct costs	39,163,951	37,545,674
Support costs (note 10)	4,372,490	5,159,145

12. Employees (cont'd)

Group and company

The pension costs of £1,117,222 (2025: £1,085,946) relate to defined contribution schemes. The defined benefit scheme was closed to future accrual with effect from 31 March 2012. The group and charity has paid deficit contributions totalling £435,732 (2025: £423,045) to the defined benefit scheme during the year. These payments have reduced the past service deficit relating to the defined benefit pension scheme liability (note 26).

The average monthly number of employees during the year was as follows:

	2026 No.	2025 No.
Salaried	1,151	1,243
Sessional	170	96
	1,321	1,339

The number of staff paid over £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	2026 No.	2025 No.
£60,000 - £70,000	9	9
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	3	3
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001-£140,000	1	1

The total cost of pension contributions to the defined contribution scheme in the year for staff paid more than £60,000 was £48,375 (2025: £42,068).

The total value of agency costs in the year was £1,307,804 (2025: £1,543,835).

Key management personnel of the charity and group consist of the Chief Executive, Director of Finance & Resources, Director of Operations and Director of Business Development & Improvement.

	2026 £	2025 £
Key management personnel emoluments	440,998	436,621
Employer's social security contributions in relation to key management personnel	57,669	52,459
Key management personnel pension contributions	16,008	15,685
	514,675	504,765

13. Trustees

The trustees received no emoluments during this or the prior year.

14. Net income/(expenditure)

	2026	2025
Group	£	£
Net income for the year is stated after charging/(crediting):		
Auditor's remuneration:		
- For audit services	36,100	42,060
- For taxation compliance services	26,820	4,254
- For accountancy services	6,950	5,000
Depreciation of fixed assets	100,700	229,154
Operating lease rentals	994,154	976,651
Company		
Net income for the year is stated after charging/(crediting):		
Auditor's remuneration:		
- For audit services	32,600	37,980
- For taxation compliance services	25,860	3,426
- For accountancy services	-	3,600
Depreciation of fixed assets	100,700	229,154
Operating lease rentals	994,154	976,651

15. Taxation

As a registered charity, the company is exempt from tax. As the subsidiary company covenants its profits to the charity, there is no charge to taxation on a group basis.

16. Tangible assets

Group and company	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation:					
At 1 April 2025	5,034,996	86,639	56,442	144,823	5,322,900
Additions	-	-	-	-	
At 31 March 2026	5,034,996	86,639	56,442	144,823	5,322,900
Depreciation:					
At 1 April 2025	-	86,639	56,442	144,823	287,904
Provided for in the year	100,700	-	-	-	100,700
At 31 March 2026	100,700	86,639	56,442	144,823	388,604
Net book value:					
At 31 March 2026	4,934,296	-	-	-	4,934,296
At 31 March 2025	5,034,996	-	-	-	5,034,996

16. Tangible assets (cont'd)

The properties were revalued in March 2025 by DM Hall, Chartered Surveyors and RICS, Chartered Surveyors, at market value on a vacant possession basis.

On a historical cost basis, freehold property owned would have been stated as follows:

	2026 £	2025 £
Cost	5,307,914	5,307,914
Accumulated depreciation	(2,061,378)	(1,955,219)
Net book value	3,246,536	3,352,695

17. Fixed asset investments

	Group £	Company £
Market value		
At 31 March 2026	3,595,854	3,595,855

Movements in fixed asset investments Group	Shares in subsidiary £	Shares in trade investments £	Total £
Cost or valuation:			
At 1 April 2025	-	3,273,624	3,273,624
Investment additions	-	482,396	482,396
Investment disposals	-	(148,999)	(148,999)
Change in market value	-	(11,167)	(11,167)
At 31 March 2026	-	3,595,854	3,595,854

Company	Shares in subsidiary £	Shares in trade investments £	Total £
Cost or valuation:			
At 1 April 2025	1	3,273,624	3,273,625
Investment additions	-	482,396	482,396
Investment disposals	-	(148,999)	(148,999)
Change in market value	-	(11,167)	(11,167)
At 31 March 2026	1	3,595,854	3,595,855

All shares in trade investments relate to listed investments.

17. Fixed asset investments (cont'd)

Investments in subsidiaries comprise a holding of 100% of the issued ordinary share capital of Turning Point Scotland Services Limited, a company registered in Scotland.

Turning Point Scotland Services Limited was incorporated on 18 March 2003 with registered number SC245852. Turning Point Scotland Services Limited's registered office is 7 West George Street, Glasgow, G2 1BA.

During its latest financial year, Turning Point Scotland Services Limited had turnover of £36,315,403 (2025: £38,761,213), expenditure of £35,790,698 (2025: £38,029,251) and made a profit after tax of £524,705 (2025: £731,962). At the end of the year, Turning Point Scotland Services Limited had assets of £2,830,365 (2025: £4,550,605), liabilities of £2,287,865 (2025: £3,800,848) and capital and reserves of £542,500 (2025: £749,757).

18. Debtors

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Trade debtors	3,957,055	5,349,077	1,341,916	1,081,122
Amounts due from group undertakings	-	-	1,796,875	2,636,412
Other debtors	173,227	185,910	173,227	185,910
Prepayments	208,443	211,583	208,443	211,583
	4,338,725	5,746,570	3,520,461	4,115,027

19. Cash at bank and in hand

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Bank	2,304,504	2,613,496	2,089,278	2,330,846
Bank accounts held in trust	1,538,890	1,864,018	1,538,890	1,864,018
	3,843,394	4,477,514	3,628,168	4,194,864

20. Creditors: amounts falling due within one year

	Group		Company	
	2026	2025	2026	2025
	£	£	£	£
Trade creditors	365,802	458,549	365,802	458,549
Taxation and social security	1,090,278	1,834,770	744,844	704,828
Pensions	246,240	248,113	246,240	248,113
Other creditors	523,190	260,988	523,190	260,988
Creditor in respect of bank accounts held in trust	1,538,890	1,864,018	1,538,890	1,864,018
Accruals and deferred income	794,910	855,381	649,354	820,887
	4,559,310	5,521,819	4,068,320	4,357,383

The bank holds a bond of floating charge over the whole assets of the company.

Movements in deferred income are analysed as follows:

	Group		Company	
	2026 £	2025 £	2026 £	2025 £
At 1 April	36,327	302	1,833	302
Deferred during the year	164,310	36,327	18,754	1,833
Less: released in year	(36,327)	(302)	(1,833)	(302)
At 31 March	164,310	36,327	18,754	1,833

21. Provisions

Group and Company	2026 £	2025 £
Defined benefit pension scheme – past service deficit contributions	-	-

For financial years ending on or before 31st March 2024, it has not been possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, therefore the company has accounted for the scheme as a defined contribution scheme. Therefore, for 31 March 2024 the contributions payable from the company to the Scheme under the terms of its funding agreement for past deficits was recognised as a liability within provisions in the company's financial statements. For 31 March 2025; sufficient information has been made available to allow for the Group to account for the scheme using full defined benefit accounting - please refer to note 26 for details.

The estimated remaining liability for past service deficit contributions of £3,200,000 at 31 March 2024 was discounted to the net present value of the future cash flows using a market rate of interest for a similar debt instrument in accordance with FRS102. The net present value of this contractual obligation was £2,656,000 at 31 March 2024.

Past service deficit repayment liability

	2026	2025
	£	£
Provisions at 1 April	-	2,656,000
Unwinding of the discount factor (interest charge)	-	-
Deficit contributions paid	-	-
Remeasurements – impact of any change in assumptions	-	-
Inflation experience loss	-	-
Initial recognition of defined benefit scheme	-	(2,656,000)
Provision at 31 March	-	-

22. Reserves

Group	At 1 April 2025	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2026
	£	£	£	£	£	£
Restricted development reserves	358,577	338,315	(375,193)	-	-	321,699

Unrestricted funds	At 1 April 2025	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2026
	£	£	£	£	£	£
General development reserve	1,576,507	5,164,416	(6,500,867)	1,855,832	776,095	2,871,983
Designated reserves						
Maintenance	800,409	662,099	(588,781)	-	(873,727)	-
Fundraising	279,880	13,653	(19,824)	-	(273,709)	-
Capital	243,941	-	-	-	(243,941)	-
Service development	1,648,271	42,038,842	(41,845,418)	-	615,282	2,456,977
	4,549,008	47,879,010	(48,954,890)	1,855,832	-	5,328,960

Money received from councils to purchase properties that may need to be repaid to them if the property is sold is held in a designated reserve. As per the terms of these agreements as the repayment agreements become time served and money no longer due to the councils it is transferred into general reserves.

Services that made deficits but did not have enough reserves to cover this deficit receive funding from the company.

22. Reserves (continued)

Revaluation reserve	At 1 April 2025	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2026
	£	£	£	£	£	£
Revaluations	1,682,300	-	-	-	-	1,682,300
	1,682,300	-	-	-	-	1,682,300

Comparative year

Group	At 1 April 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2025
	£	£	£	£	£	£
Restricted development reserves	351,441	375,570	(368,434)	-	-	358,577

Unrestricted funds	At 1 April 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2025
	£	£	£	£	£	£
General development reserve	6,358,933	4,857,288	(7,264,092)	(2,735,251)	359,629	1,576,507
Designated reserves						
Maintenance	713,412	642,899	(555,902)	-	-	800,409
Fundraising	263,029	69,861	(53,010)	-	-	279,880
Capital	380,629	-	-	-	(136,688)	243,941
Service development	1,425,810	42,288,067	(41,873,845)	-	(191,761)	1,648,271
	9,141,813	47,858,115	(49,746,849)	(2,735,251)	31,180	4,549,008

22. Reserves (continued)

Revaluation reserve	At 1 April 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2025
	£	£	£	£	£	£
Revaluations	1,079,994	-	-	633,486	(31,180)	1,682,300
	1,079,994	-	-	633,486	(31,180)	1,682,300

Company	At 1 April 2025	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2026
	£	£	£	£	£	£
Restricted development reserves	358,577	338,315	(375,193)	-	-	321,699

Unrestricted funds	At 1 April 2025	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2026
	£	£	£	£	£	£
General development reserve	826,751	5,896,378	(7,025,572)	1,855,832	776,095	2,329,484
Designated reserves						
Maintenance	800,409	662,099	(588,781)	-	(873,727)	-
Fundraising	279,880	13,653	(19,824)	-	(273,709)	-
Capital	243,941	-	-	-	(243,941)	-
Service development	1,648,271	42,038,842	(41,845,418)	-	615,282	2,456,977
	3,799,252	48,610,972	(49,479,595)	1,855,832	-	4,786,461

Revaluation reserve	At 1 April 2025	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2026
	£	£	£	£	£	£
Revaluations	1,682,300	-	-	-	-	1,682,300
	1,682,300	-	-	-	-	1,682,300

22. Reserves (continued)

Comparative year

Company	At 1 April 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2025
	£	£	£	£	£	£
Restricted development reserves	351,441	375,570	(368,434)	-	-	358,577

Unrestricted funds	At 1 April 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2025
	£	£	£	£	£	£
General development reserve	6,120,613	5,077,814	(7,996,054)	(2,735,251)	359,629	826,751
Designated reserves						
Maintenance	713,412	642,899	(555,902)	-	-	800,409
Fundraising	263,029	69,861	(53,010)	-	-	279,880
Capital	380,629	-	-	-	(136,688)	243,941
Service development	1,425,810	42,288,067	(41,873,845)	-	(191,761)	1,648,271
	8,903,493	48,078,641	(50,478,811)	(2,735,251)	31,180	3,799,252

Revaluation reserve	At 1 April 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 March 2025
	£	£	£	£	£	£
Revaluations	1,079,994	-	-	633,486	(31,180)	1,682,300
	1,079,994	-	-	633,486	(31,180)	1,682,300

22. Reserves (continued)

Restricted development reserves: represent the surplus arising on restricted income.

Included within restricted funds are the following amounts:

- £0 (2025: £1,686) from Aberdeen Alcohol Support Services to be spent in Aberdeen on supporting people with substance use issues.
- £206,640 (2025: £206,640) received as a donation to be spent on substance misuse services in Glasgow.
- £115,059 (2025: £150,250) received from the CORRA Foundation for the running of the Overdose Response Team Services.

Unrestricted reserves: Reserves that can be used for the furtherance of the Charities purpose. These reserves are split into two different categories.

General Development Reserves – Total charity funds less total restricted funds less designated reserves. The general development reserves are to be used:

- as a short term source of internal funds for situations such as a loss in funding or unplanned deficits where services have no service development reserves and one-off unexpected events.
- as a safeguard against future pension liability risk.
- to fund company strategic developments as agreed with the Board.

Designated Reserves – Reserves set aside to meet specific future spending.

Included within designated reserves are:

Service Development Reserves – Reserves held against specific TPS services to meet possible shortfalls in funding and to develop the service. These reserves should be spent over the lifetime of the service.

Maintenance Reserves – The company owns a number of properties for which they claim Housing Benefit. This reserve is the cumulative amount that is claimed through Housing Benefit for future capital expenditure and maintenance during the lifetime of the house. The reserve will be spent over the lifespan of the specific properties.

Fund Raised Reserves – Reserves brought about by fundraising activities. These reserves should be spent on specific properties as soon as possible.

Capital Reserves – When certain properties were purchased by TPS contributions were received from external funders. These contributions will need to be repaid if the properties are sold within a set time frame. If they are not sold in that timeframe the reserves will be transferred to General Development Reserves. These reserves will be held for the lifetime of the agreement (normally 25 years) or until the property is sold.

Revaluation Reserves – The cumulative balance of property revaluations less amounts that have been amortised.

Reclassification of designated reserves
During the year, the Trustees reviewed the classification and presentation of the charity's reserves. As part of this review, the Maintenance reserve, Fundraising reserve and Capital reserve are no longer considered to meet the definition of designated reserves, as the funds are not currently set aside by the Trustees for specific future expenditure separate from the charity's general unrestricted activities.

Accordingly, these balances have been reclassified from designated reserves to general unrestricted reserves. This reclassification reflects a change in the internal designation of unrestricted funds only

and does not affect the total level of unrestricted reserves, total charity funds, or the charity's net assets. The Trustees will continue to monitor the adequacy of reserves in line with the charity's reserves policy and may designate funds in future where specific commitments or plans are approved.

23. Allocation of net assets between funds

	Unrestricted £	Restricted £	2026 Total £
Group			
Fixed assets	8,530,150	-	8,530,150
Net current assets	3,301,110	321,699	3,622,809
Defined benefit pension scheme liability	(4,820,000)	-	(4,820,000)
	7,011,260	321,699	7,332,959
Company			
Fixed assets	8,530,151	-	8,530,151
Net current assets	2,758,610	321,699	3,080,309
Defined benefit pension scheme liability	(4,820,000)	-	(4,820,000)
	6,468,761	321,699	6,790,460

24. Operating leases

Group and Company

At 31 March the group and company had commitments under non-cancellable operating leases as set out below:

	2026 £	2025 £
Operating leases which expire:		
Not later than one year	994,154	976,651
Later than one year and not later than five years	700,397	677,025
Later than five years	480,919	469,009
	2,175,470	2,122,685

25. Contingent liabilities

The company received a grant of £242,596 during 2002 from the National Lottery Charity Board to finance the purchase of a property at 45-49 Holburn Street, Aberdeen. The grant is repayable in full if the property is sold within 80 years of the grant being awarded. In previous years, between 2001 and 2007, grants of £33,600 have been received from Renfrewshire Council toward the purchase of Glenfield Avenue, which are repayable if the properties are sold within 25 years of their purchase date on a sliding scale. £242,596 remains payable at 31 March 2026.

26. Pensions

The Board made the decision that from 1 July 2011 that the Turning Point Pension Scheme (the Scheme), which was a defined benefit scheme, would be closed to new members and that on the 31 March 2012 it would close to future accrual of benefits and all members at that date would become deferred members.

The assets of the schemes are held separately from those of the company.

The total contributions payable by the company in 2025/26 to the pension scheme was £436k.

The company participates in the Turning Point Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to 2 employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 31st March 2022. This valuation revealed a deficit of £23.8m. A Recovery Plan has been put in place to eliminate the deficit which runs to 31 January 2031.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For financial years ending on or before 31st March 2024, it has not been possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme. Therefore, for 31 March 2024 the contributions payable from the company to the Scheme under the terms of its funding agreement for past deficits was recognised as a liability within provisions in the company's financial statements. The net present value of this contractual obligation was £2,656,000.

From the year ended 31 March 2025, it has been possible to obtain sufficient information to enable the company to account for its Scheme obligation as a defined benefit scheme.

Under the defined benefit pension accounting approach, the company's net deficit as at 1 April 2025 is £6,421,000 and is £4,820,000 as at 31 March 2026.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2026

Principal actuarial assumptions at the balance sheet date

	2026 p.a.	2025 p.a.
Discount rate	6.20%	5.85%
Salary growth		
RPI min 0% max 5% p.a. increases	2.80%	2.65%
RPI min 0% max 2.5% p.a. increases	1.95%	1.85%
CPI min 0% max 3% p.a. increases	2.10%	1.95%
Inflation (RPI)	3.00%	2.80%
Inflation (CPI)	2.65%	2.40%

Fair value of employer assets	**2026**	**2025**
	£'000	**£'000**
Equities	7,310	7,109
Liability Driven Investments	3,919	4,030
Property & Infrastructure	1,264	1,106
Cash	239	148
Total Estimates Employer Assets	12,732	12,393

The amounts recognised in the balance sheet are as follows:

	2026	**2025**
	£'000	**£'000**
Present value of funded liabilities	(17,552)	(18,814)
Fair value of employer assets	12,732	12,393
Net Liability	(4,820)	(6,421)

Expense recognised in the statement of comprehensive income:

	2026	**2025**
	£'000	**£'000**
Past service costs (including curtailments)	-	1,012
Administration expenses	71	81
Interest on net defined benefit liability	365	302
Pension expense recognised in profit and loss charge	**436**	**1,395**

Movement in present value of defined benefit obligation:

	2026	2025
	£'000	£'000
Opening defined benefit obligation	18,814	20,092
Interest expense	1,076	955
Actuarial gains on scheme liabilities arising from changes in financial assumptions	(631)	(2,863)
Actuarial gains on scheme liabilities arising from changes in demographic assumptions	(229)	-
Actuarial (gains)/losses on scheme liabilities arising from experience	(625)	407
Net benefits paid out	(853)	(789)
Past service cost (including curtailments)	-	1,012
Closing defined benefit obligation	**17,552**	**18,814**

Movements in the fair value of plan assets are as follows:

	2026	2025
	£'000	£'000
Opening fair value of scheme assets	12,393	13,679
Interest income on scheme assets	711	653
Remeasurement gains/(losses) on scheme assets	116	(1,490)
Contributions by employer	436	421
Net benefits paid out	(853)	(789)
Administration costs incurred	(71)	(81)
Closing fair value of scheme assets	**12,732**	**12,393**

Actual return on scheme assets:

	2026	2025
	£'000	£'000
Interest income on scheme assets	711	653
Remeasurement gain/(loss) on scheme assets	116	(1,490)
Actual return on scheme assets	**827**	**(837)**

Actuarial gain on defined benefit pension scheme

	2026	2025
	£'000	£'000
Actuarial gain on scheme liabilities arising from changes financial assumptions	631	2,863
Actual gain on scheme liabilities arising from changes in demographic assumptions	229	-
Actuarial gains/(losses) on scheme liabilities arising from changes in financial assumptions	625	(407)
Remeasurement gain/(loss) on scheme assets	116	(1,490)
	1,601	**966**

27. Reconciliation of net (expenditure)/income provided by/(used in) operating activities

	2026	2025
Group	£	£
Net income/(expense)	743,074	(3,983,363)
Adjustments for:		
Revaluation of fixed assets	-	(633,486)
Bank interest received	(32)	(68)
Dividends received	(67,128)	(62,515)
Depreciation of tangible fixed assets	100,700	229,154
Decrease/(increase) in debtors	1,407,845	(16,138)
Increase/(decrease) in creditors	(962,509)	158,899
Pension scheme non-cash movement	(1,601,000)	3,765,000
Gain on investments	(254,832)	(55,749)
Net cash (used in) operating activities	(633,882)	(598,266)

	2026	2025
Company	£	£
Net income/(expense)	950,333	(4,494,797)
Adjustments for:		
Revaluation of fixed assets	-	(633,486)
Bank interest received	(32)	(68)
Dividends received	(67,128)	(62,515)
Dividends received via gift aid	(731,962)	(220,526)
Depreciation of tangible fixed assets	100,700	229,154
Decrease in debtors	594,565	300,858
Increase/(decrease) in creditors	(289,064)	268,561
Pension scheme non-cash movement	(1,601,000)	3,765,000
Gain on investments	(254,832)	(55,749)
Net cash (used in) operating activities	(1,298,420)	(903,568)

28. Analysis of changes in net funds

	1 April 2025 £	Cash flows £	31 March 2026 £
Group			
Cash at bank and in hand	4,477,514	(634,120)	3,843,394

	1 April 2025 £	Cash flows £	31 March 2026 £
Company			
Cash at bank and in hand	4,194,864	(566,696)	3,628,168

29. Related party transactions

The trustees receive no remuneration for fulfilling their role as trustees. Total travel expenses of £248 (2025: £607) were reimbursed to 3 trustees (2025: 4 trustees) during the year.

Turning Point Scotland operates contracts on behalf of Turning Point Scotland Services Limited, its 100% owned subsidiary. During the year, Turning Point Scotland invoiced a sum of £36,087,043 (2025: £38,546,418) to its subsidiary in respect of these contracts. In addition, £156,577 (2025 £131,212) in payroll costs were recharged to the subsidiary for management services provided and Turning Point Scotland Services Limited invoiced Turning Point Scotland £228,360 (2025: £214,794) as a management fee and covenanted £731,962 (2025: £220,526) to Turning Point Scotland.

The amount due from Turning Point Scotland Services Limited at 31 March 2026 is £1,796,875 (2025: £2,636,412). The amounts outstanding are unsecured for cash settlement in accordance with usual terms.