



Redthread Youth Limited

Company no 03131121

Charity no 1051280

Annual Report and Accounts  
For the period ended 31 March 2022

# Contents

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## **About Redthread**

Redthread empowers young people to thrive as they navigate the challenging transition to adulthood by integrating trauma-informed youth work into the health sector. We have experienced significant development since our inception in 1995, moving from a small local youth charity to a national organisation operating across multiple locations.

## **Our purpose**

Redthread's purpose is to be present where young people need us most. We amplify their voices so that systems and services are better able to meet their needs and support them towards leading healthy, safe and happy lives.

## **Our vision**

A society where all young people live healthy, safe, and happy lives.

## **Our mission**

To empower young people to thrive as they navigate the challenging transition to adulthood by integrating trauma-informed youth work into the health sector.

## Legal and administrative information

<b>Company name</b>	Redthread Youth Limited
<b>Charity number</b>	1051260
<b>Company registration number</b>	03131121
<b>Registered office</b>	158 Buckingham Palace Road London SW1W 9TR
<b>Trustees</b>	Simon Charlick – (chair to 23 May 2022; resigned as a trustee 25 July 2022) Miriam Bullock (interim chair 23 May to 31 August 2022) Paula McDonald CBE (chair from 1 September 2022) Lawrence Bate (appointed 1 August 2022) Myles Bradshaw (appointed 1 August 2022) Natalie Carsey (appointed 1 August 2022) Patricia Gallan QPM Katie O'Donovan Lucie Russell Emer Sutherland (appointed 1 August 2022) Wanda Wyporska (resigned 22 April 2022)
<b>Chief Executive</b>	John Poyton OBE (stood down 30 June 2022) Tracey Burley (appointed 1 July 2022)
<b>Auditors</b>	Buzzacott LLP 130 Wood Street, London EC2V 6DL
<b>Bankers</b>	Lloyds Bank plc Camberwell Green Branch 25 Camberwell Green, London SE5 7AB

The trustees, being the company's directors for the purposes of company law, present their statutory report together with the financial statements of Redthread Youth Limited for the year ended 31 March 2022.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report as set out in the Companies Act 2006.

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

# Letter from the Redthread Chair and CEO

As the charity sector as a whole continues to work its way through the challenges posed by both the economic and social changes that arose during the pandemic and, in more recent developments, by the current cost-of-living crisis. Redthread has also been going through a period of change and renewal.

Over the past months, Redthread has recruited new trustees, including a new chair of the board of trustees, following Simon Charlick's decision to step down once his successor had been appointed. Simon served on the board for 5 years, latterly as board chair. Redthread records our profound thanks to Simon for his leadership and wise counsel during that time, including steering us through the COVID-19 pandemic.

Paula McDonald CBE succeeded Simon as our new board chair, with effect from 1<sup>st</sup> September. Paula brings with her a wealth of knowledge, skills, experience and understanding of the youth sector and organisational governance and is delighted to be leading the newly formed board of trustees and working with, the senior leadership team and Redthread staff to refine and refresh our strategy, and strengthen and consolidate our achievements over the next few years.

In addition to these trustee changes, at the end of June, after more than 20 years at Redthread, the previous **Chief Executive Officer**, John Poyton OBE decided to step down to focus more fully on his passion for innovation, thought leadership and policy development.

During John's time at Redthread, the charity has grown to become a leader in health based youth services, creating profound and positive impacts on the lives of many young people and the systems that serve them. We are profoundly grateful to John and thank him for his vision, passion and dedication. He has been, and will continue to be, deservedly recognised for his pioneering work in the field of adolescent health, wellbeing and violence reduction. We won't be losing touch with John completely; he will be continuing to support Redthread and the new leadership team to ensure a smooth transition, and in the future as our Founder. We wish him well in his new endeavours.

Tracey Burley, our interim CEO, now continues, and builds on, John's work – providing clear leadership of the organisation during this transition ensuring it is fit for purpose and has the capability to deliver its strategy.

We are excited to be embarking on this next phase of our journey as we implement the 2021-26 Strategy. Our communities deserve and will receive Gold Standard services and our ambition and ability to innovate and provide thought leadership to the sector are critical to our sustainability.

We are particularly proud of the progress we have made towards our strategic aim to be more diverse as an organisation - we now have a very diverse workforce with a broad range of experiences and backgrounds aligned to the communities we serve.

Our key diversity data is as follows:


- 72% of our workforce is under 40
- 18.8% have a learning difficulty
- 20% have a mental health condition
- 43.5% are people of colour (and 39% of leaders are people of colour)
- 17.3% identify as part of the LGBT+ community
- 17.3% identify as disabled

However, we are not complacent, as we continue to hold quarter Equality, Diversity and Inclusion meetings alongside our Faith, LGBT and Voices of Colour network meetings providing opportunities to listen, learn and take further action. Over the next 12 months we will focus on understanding more about the identities of the children and young people that we work for and how we can better support them.

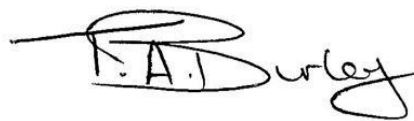
These are exceptionally challenging times, for the not-for-profit sector as a whole, and for all organisations working with vulnerable young people, many of whom have emerged from the pandemic into an uncertain future, with their education disrupted, relationships and homelife adversely affected, and their mental well-being placed under increased strain as a result.

Most importantly, and despite these challenges, our dedicated and skilled staff team have been getting on with the crucial work of supporting the vulnerable young people we meet in hospitals and other health settings as they negotiate trauma, crisis and life-changing experiences. There has never been a higher demand for our services - the numbers of young people we supported increased to over 2,000 young people during the year ending March 2022. And we know those numbers don't represent the total need.

A big thank you, therefore, to the staff team, the trustees, our many funders and supporters and of course to the young people who put their trust in us and for whom we exist. This is an incredible organisation which we are both very proud to be a part of.



Paula McDonald CBE  
Chair, Redthread Board



Tracey Burley  
Interim Chief Executive Officer

December 2022

## ANNUAL REPORT

### Our activities

**Redthread works with young people aged 11-25 in a range of health-related and community contexts – often this is at a moment of crisis in their lives when they need support to understand what they need to do to have happier, healthier, and safer lives.**

### Youth Violence Intervention Programme (YVIP)

Our largest and most well-established programme, YVIP embeds specialist youth work professionals into hospital Emergency Departments (EDs) to work alongside clinical professionals to support young people who attend hospital as a victim of violence (including stabbings, shootings, assault without weapons, sexual and domestic violence, and those at risk of exploitation).

Following the two years of disruption and uncertainty arising from the COVID-19 pandemic, we have made sure our YVIP teams strengthen their presence within each of the thirteen hospitals we currently work in. These include the four London hospitals that make up the London Major Trauma network: St Mary's, covering the North West London quadrant; St George's, South West London & Surrey; King's, covering South East London, Kent & Medway and the Royal London, covering North East London and Essex, where the service is delivered in partnership with the St Giles Trust.

We also work in a further five local hospitals across Greater London (Homerton University Hospital, University College Hospital, Croydon University Hospital, University Hospital, Lewisham and Queen Elizabeth Hospital Woolwich), and in the Midlands, we have teams based in Birmingham (Queen Elizabeth Hospital Birmingham, Birmingham Heartlands Hospitals and the Birmingham Children's Hospital) and in Nottingham at Queen's Medical Centre in Nottingham (the MTrauma Centre covering a wide geographical area in the East Midlands) as well as at King's Mill Hospital in Mansfield.

As we emerge from the pandemic, it's clear that the lives of the young people we work with have been seriously impacted by the experience. The number of referrals we receive continues to increase.

In 2021-22 our YVIP teams supported or engaged 1,760 young people out of the 1,964 we were able to contact. This represents an engagement rate of 85.7%. (2020-21, 1,372 out of 1,860, 74%.)

We also delivered training on how to better support young people who have been affected by trauma to over 3,500 clinical colleagues.

Looking at the pattern of our referrals in 2021/22 compared to 2020/21:

- Assault made up 65% of cases, increased from 60% the previous year
- The proportion of mental health presentations has remained the same as the previous year, representing 13% of the total.
- The proportion of substance-related presentations has remained the same as last year, at 3%

### King's Adolescent Outreach Service (KAOS)

The KAOS team has been in place since 2018, working closely with their clinical leads to provide youth work support to any young people aged between 16-24 who are admitted to adult wards

at King's College Hospital, with the aim of promoting the importance of a holistic approach to adolescent health care.

In 2021-22 despite the pandemic, the team maintained its caseload, and worked with 310 young people out of the 333 that were referred to them – an engagement rate of 93%. The service is provided to both male and female patients, with the total numbers being split equally between the two genders.

The team has worked hard to ensure that awareness of the service is promoted across the numerous specialities dealt with within the hospital, with referrals being made from more than 25 different departments. The top five referring departments in the year were general surgery, trauma, acute medicine, and gynaecology, with 54% of referrals coming from those departments alone. 75% of those referred were in the age range 17-21, with 10–16 year olds representing a further 14%.

In terms of signposting, 234 onward referrals were made by the team to a wide range of other services, both within the health system and in the community – these ranged from support with mental health issues, sexual health and alcohol and substance misuse through to education and training providers, legal & advocacy support services and more generic youth work opportunities.

## **Violence Against Women & Girls (VAWG)**

Our Young Women's Service supports young women who have come into hospital as a result of serious youth violence or exploitation. The interventions differ from our YVIP work in that there is an expectation and understanding that the complexity of working with this group means that a longer term period of support is often required, so each young woman who takes up the service can be supported for up to a year.

A team of two specialist young women's workers was funded initially for four years by Comic Relief, and additional funding from the Mayor's Office for Policing and Crime (MOPAC) and the London Violence Reduction Unit (VRU), has enabled us to build on this work by introducing a VAWG Manager within the Programme Management Team and to introduce the service to two more hospitals. This additional resource continues into next year and will make sure our VAWG work continues to be developed as part of our strategic work.

The key work streams for the VAWG lead, supported by our four young women's workers include:

- Embedding our VAWG work into daily practice across the organisation by developing a module for our core training
- Identifying and establishing VAWG champions within each hospital team
- Supporting colleagues with complex cases and ensuring a VAWG lens is applied to safeguarding concerns where appropriate
- Developing VAWG training to be delivered to clinical colleagues to ensure that signs of exploitation are spotted, and appropriate referrals made

During the year ending 31 March 2022 our team was able to provide 41 young women with intensive, long term support.

## **The Social Switch Project**

Redthread remains a partner in the co-delivery of the Social Switch project, alongside social business, Catch 22, as it entered its fourth year of operations. This important initiative continues to seek ways of tackling the growing issue of antisocial and violent online behaviour, which often has the potential to escalate into violence in the real world.



Since the project began, the team have trained over 80 young people as social media managers and have continued to provide intensive career support after the course has been completed. In addition, over 1000 professionals working with young people have attended training that aims to give them the knowledge and tools to be able to empower young people to deal with the challenges of negative online behaviours.

In the autumn of 2021, we delivered a pilot programme in four Salford schools, funded by the Greater Manchester VRU, which focussed on training Year 10 students to become social media champions and to talk to Year 7s about how to navigate the pitfalls whilst maximising the benefits of the online world. This programme was developed in response to research which suggested that young people were more likely to tell older siblings about issues arising from social media than their parents or teachers. Over a period of 6 weeks, the older students were supported by the Social Switch team to explore content and themes across a wide range of topics, including e-safety, hate crime, and unhealthy relationships.

Going forward, the partnership hopes to be able to scale the various strands of the Social Switch programme to become a national programme.

## **HIVE**

HIVE (the Hospitals Interrupting Violence Exchange) is a network set up by Redthread back in 2017 to provide opportunities to share best practice with other professionals and organisations working in the field of youth violence in hospital settings. Due to the pandemic, we were unable to run our annual conference, and instead we hosted a series of online symposiums and webinars throughout 2020-21, on topics such as 'Living Through a Lockdown'; 'Young People as Parents, Sons and Daughters'; 'Exploitation and Young Adults'. Attended by 389 delegates, these online opportunities provided excellent networking and learning opportunities for attendees.

Going forward, we look forward to returning to our first 'in person' HIVE event which will take place during 2022-23 with a particular focus on collaboration and bringing together local grassroots community organisations.

## **Youth participation**

Developing our youth participation strategy continues to be a key component of the gold standard stream of our new five-year plan as we work towards ensuring young peoples' voices are heard at all levels in our decision-making progress.

We look forward to continuing to support young people to participate in local and national discussions on topics and policies that will directly affect their lives.

## **Scaling our impact – our strategy 2021-26**

At the end of June 2021, we launched our ambitious new five-year organisational strategy following a process which involved all levels of the organisation, a wide range of external partners and, of course, the young people we work with.

The full strategy document can be download from our website here:  
<https://www.redthread.org.uk/about-us/scaling-impact/>

Delivering our plans requires us to maintain a careful balance between sustaining our current services alongside exploring new ways of working that will help us achieve our ambitious plans to scale our impact through consolidation and innovation. We are also committed to building a sustainable organisation, with a resilient funding base utilising a diverse range of income streams, supported by effective governance and robust financial policies and processes.

The plan identifies three overarching strategic priority areas, with the following workstreams under each area:

### **Gold Standard**

We will:-

- Be an inclusive, diverse and empowering organisation in which staff can thrive
- Be a gold standard provider for young people through the high quality of our work across integrated care systems
- Empower young people to participate in decisions that impact their lives, by amplifying their voices and opinions both within Redthread and on external platform

### **Innovation**

We will:-

- Expand our work across integrated care systems, building on our previous experience within both primary and secondary care
- Increase our ability to demonstrate the impact of our work in order to continually improve our delivery and support partners to achieve the best outcomes for young people
- Develop and deliver expert training programmes to our staff and to external partners

### **Thought Leadership**

We will:-

- Use our experience to influence regional and national policy makers and commissioners to ensure that young people's needs are met
- Build productive relationships with key stakeholders and partners which will enable us to further develop our work together
- Lead a strong and influential network through our Hospitals Interrupting Violence Exchange (HIVE) which encourages collective working and collaboration to improve outcomes for young people

## **Structure, governance, and management**

Redthread Youth Limited is a registered charity and a company limited by guarantee in England and Wales, and as such is governed by its published Memorandum and Articles of Association. The members of the charitable company are also the directors/trustees. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member. The charitable company operates under the name "Redthread."

### **Organisation**

The board of trustees administers the charity and meets on a quarterly basis. The trustees have appointed a Chief Executive Officer to manage the day-to-day operations of the charity. To enable Redthread to run smoothly and effectively, the Chief Executive has delegated authority for operational matters, including finance, fundraising, marketing and communications, business development, employment of staff and programme-related activity to members of the senior management team.

Since Simon Charlick's term as chair of the trustee board was due to come to an end during 2020-21, and following a skills audit of the existing board, an extensive recruitment campaign took place which resulted in a new chair and four new trustees being appointed, all of whom are now in place, alongside four existing board members. This new board came together at a strategy away day in September 2022 and attended their first board meeting in October 2022.

A Finance and Audit Committee meets at least once a quarter to provide more detailed oversight of the financial performance of the charity as it grows. The Finance and Audit Committee consists of two trustees and two or more members of the senior management team, including the Chief Executive Officer and the Head of Finance.

The trustees retain sign-off of the strategic direction of the charity, and key financial matters including the budget, and the reserves and remuneration policies.

### **Trustees and appointment of Trustees**

The board seeks to appoint trustees with the skills, experience, and knowledge to provide the necessary oversight of the company's activities and fulfil its obligations legal and otherwise to the full range of stakeholders. The board aims to represent in its appointments the different constituencies of health education and the wider business community which form the context in which we work. New trustees are appointed by the board and are asked to serve for an initial term of three years after which they may put themselves forward for re-appointment. New trustees may be sought by open advertisement or through a dialogue with funders and other stakeholders. Prospective trustees are interviewed by a panel that includes the Chair, the CEO and one or more other members of the board and/or executive.

### **Trustee induction and training**

New trustees follow an induction process which includes meeting the senior management team and visiting Redthread's projects, and a programme of initial training around the responsibilities of becoming a charity trustee. Training and support is made available throughout their tenure and trustees are encouraged to attend peer to peer networking events and conferences through organisations such as the National Council for Voluntary Organisations, and the Charity Finance Group. We also twin each trustee with a delivery team in one of our hospitals, enabling trustees to gain more in-depth knowledge of our work and our staff team.

### **Related parties**

The trustees have procedures in place for identifying related parties and transactions with them. Any identified related party transactions are reported on in the notes to the financial statements.

### **Senior Management Team (SMT)**

During the year the trustees approved an external review of the structure of the SMT, to ensure that it was aligned with the strategic priorities in the five-year plan and that a management infrastructure with appropriate experience, knowledge and skill sets was in place to take those priorities forward. The outcome of this review is now being implemented.

The senior management team of the charitable company now comprises the Chief Executive Officer, a Director of Resources (formerly the Chief Operating Officer, currently being recruited), the Director of Services, the Head of Finance, the Head of Development, and the Head of Operations. The salaries of the staff team were externally benchmarked during 2021-22 and found to be largely in line with market salaries, and a graduated cost of living increase (with the lowest paid staff receiving a 6% uplift and the highest paid receiving no increase) was proposed by the executive as part of the 2022-23 budgeting exercise and was approved by the trustees.

### **Reserves policy**

The trustees have examined the requirement for free reserves, i.e., those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of unrestricted funds

should aim to cover at least three months' annual expenditure of the charitable company at any one time.

At 31 March 2022, this figure equated to £951,673, while actual free reserves stood at £1,289,162 which remains in excess of 4 months' annual expenditure. The trustees do not believe that this is excessive, as it will provide an essential buffer to cover any temporary shortfalls in incoming resources due to timing differences in income flows. This approach ensures we have adequate working capital to cover core costs and will also allow the organisation to invest in some of its key strategic objectives, including the implementation of a new approach to data and the implementation of a new Customer Relationship Management (CRM) system that will be key to providing a more robust evidence and insights into the impact our services are delivering.

### **Public benefit**

In setting objectives and planning activities, the trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The trustees' report gives a description of the activities undertaken during the period to further its charitable purposes, and the trustees are satisfied that such activities provide public benefit.

### **Redthread's approach to fundraising**

At Redthread we greatly value the support we receive from individuals, organisations, companies, and funders, and we take none of this for granted. Redthread is registered with the Fundraising Regulator and abides by the Code of Fundraising Practice. We uphold the four values of the Code of Fundraising Practice; our fundraising is legal, open, honest, and respectful.

We will never:

- Sell supporters' data to another organisation
- Share the personal information of supporters with another organisation without the data subject's specific and explicit consent
- Share or sell any personal details to another organisation for their own purposes

We will always:

- Keep supporters' personal information safe and secure
- Listen to our supporters and ensure we communicate with them in the way that they wish
- Treat our supporters and stakeholders fairly, reasonably and with transparency
- Be accountable to our supporters, stakeholders, and service-users

Redthread's fundraising is undertaken in-house by a team of fundraising professionals; we do not use third parties to fundraise on our behalf.

Our income comes from a wide variety of sources; however, our typical activities include:

- Requesting money from grant-making trusts or organisations
- Applying for government funding
- Asking for voluntary donations at events, including through bucket collections
- Forming partnerships with community groups, companies and other organisations who choose to support our work in a variety of ways
- Offering opportunities for individual supporters to take part in challenge events or other fundraising events on our behalf

- Advertising the impact of our work on social media, in mainstream print and broadcast media, on our website and through other appropriate channels
- Communicating with our supporters and individuals who have asked to be kept informed about our work
- Approaching individuals who may be interested in our work through professional organisations such as business networks, universities, hospitals, churches, clubs, and community groups.

We do not:

- Conduct regular gift, face-to-face fundraising on the street (but we may hold bucket collections and awareness raising events in public places, or at events where we have been invited to do so)
- Canvas door-to-door
- Send out direct marketing mail to people unknown to us
- Contact former service-users or their families regarding fundraising activity unless they have specifically asked to be contacted.

We have never received any complaints about our fundraising activities, and we constantly monitor internally our fundraising processes and activities to ensure they are reasonable.

In particular, we closely monitor the impact that any of our activities could have on vulnerable people. Our Youth Ambassadors (former service-users who have joined a youth participation scheme) are sometimes asked if they would like to be involved in fundraising activity. When this occurs, or when former service-users who are not involved in the Youth Ambassadors scheme choose to support our work or fundraise on our behalf, we work closely with our programme management team to safeguard those former service-users.

## Financial Review

This year we were able to achieve another increase in turnover, with our total income tipping just over the £4m mark for the first time, a small percentage increase compared with the previous year (2021-22 £4.05m, compared with a 2020-21 total of £3.98m).

The percentage of our income derived from statutory and institutional funders increased again this year, to 61% of the total, compared with 55% last year. This increase was primarily due to the addition of some new grants from NHS Integrated Care Boards (formerly Clinical Commissioning Groups both in London and in the Midlands). Our unrestricted funding from trusts and foundations increased slightly to 16%, (2020-21: 14%), whilst restricted funding from trusts and foundations dipped to 20% from 28% in the previous year. The total amount from funding streams such as individual giving, challenge events, awards and other voluntary funding sources showed strong recovery, reaching just under £89k (compared with £48k in 2020-21). This included an increase in donations from corporate funders from £5k last year to over £28k in 2021-22.

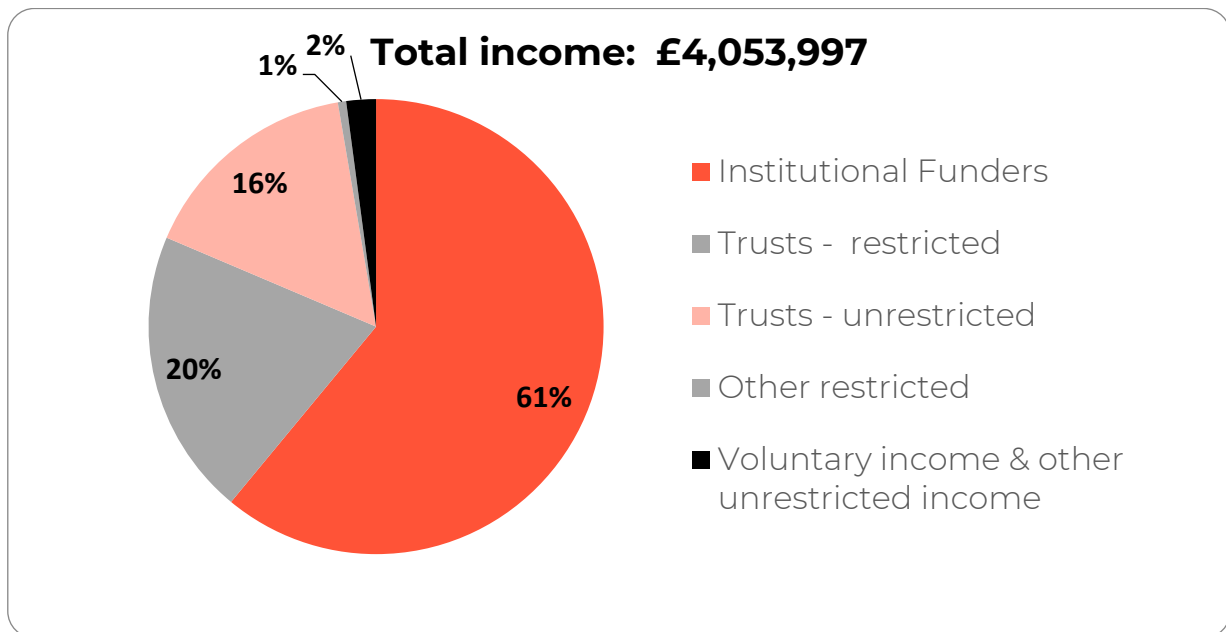
The breakdown between other sources of funding is illustrated in **Chart 1**.

Total expenditure during the year came to £3.8m, an increase of some 13% compared with 2021-21, (£3.36m). This increase primarily reflects the gradual return to normal ways of operating following the restrictions on travel and the ability to hold meetings and events in real life. **Chart 2** illustrates the breakdown of expenditure between the various cost centres during the year.

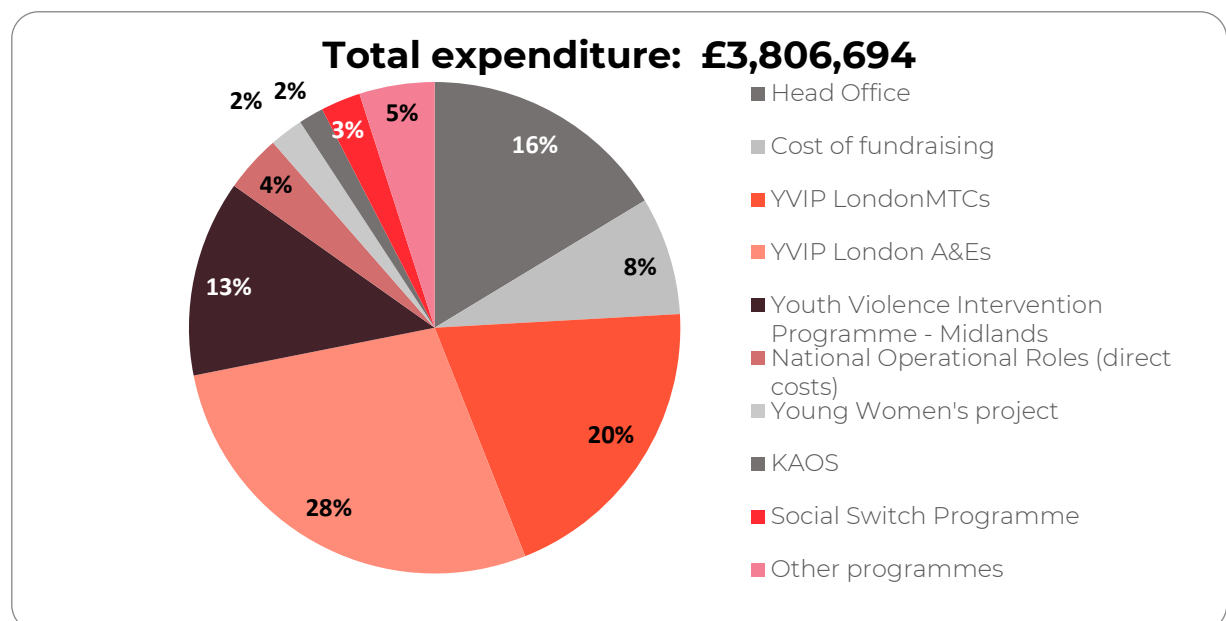
At the end of year, we were able to add £56k to our unrestricted funds making the total figure in our free reserves £1,289,162 at 31 March 2022. Alongside this, we have a sum of £602k held in restricted reserves. About a third of this (£201k) relates to funding in hand for the Birmingham service. A further 21% (£154k) to the London A&E service contracts, and this funding will be carried forward into the new service year to enable us to carry out additional activity relating to the YVIP service, including the planned re-introduction of our annual HIVE conference, which will take place in the second half of the financial year.

The relatively healthy state of our reserves has provided a welcome buffer in terms of our cash flow this year and mitigates us from any unanticipated delays in release of grant funding.

**Chart 1: income by type**



**Chart 2: expenditure by cost centre**



## Risk management

The trustees have reviewed the organisation's exposure to major risks and have updated the Risk Register accordingly. The Register assesses all risks according to impact and likelihood, as well as recording all steps taken and systems put in place to mitigate them. The risks are categorised under the following headings: governance, financial, external, and operational, and the register is reviewed at each trustees' meeting. The trustees have identified the high-level risks as follows:

Risk	Impact	Mitigating strategy
<b>Ongoing impact of Covid-19 or similar global pandemic on fundraising efforts and on our ability to maintain high quality interventions with vulnerable young people</b>	<p>Financial: reduction in income due to key and potential funders revising their priorities in the light of emerging economic and societal impact of the Covid-19 pandemic</p> <p>Operational: limitations placed on our ability to deliver the face-to-face relational youth work models such as our work in hospitals</p>	<ul style="list-style-type: none"> <li>• Maintain good communications with existing funders to maximise their continued support</li> <li>• Review and learn from our experience of successfully pivoting all of our programmes to remote working during the 2020-21 pandemic to ensure we can smoothly make a similar transition in the event of future recurrence of outbreaks of Covid or other viruses</li> <li>• Keep up to date with governmental initiatives (e.g., furlough, small business grants etc) designed to support businesses through the crisis and with the current public health advice</li> <li>• Ensure staff team are consulted and involved in decision making relating to any changes in working practices arising from the onset of the crisis</li> <li>• Utilise our wider networks, including clinical colleagues in hospitals and in Public Health England to ensure our response coincides with sector wide approaches</li> </ul>
<b>A reduction in income or failure to achieve budgeted income levels means that the charity has insufficient margins to cover its operating costs and fails to deliver value for money</b>	Redthread will be less financially stable, have fewer resources to spend on the services we provide and have a reduced ability to deliver our strategic objectives.	<ul style="list-style-type: none"> <li>• Ensure focus on securing new sources of income and seek to diversify our funding streams</li> <li>• Maintain a tight budget setting process which seeks to make efficiency savings and control costs while maintaining operational effectiveness</li> <li>• Maintain and grow reserves to a level that permits expenditure to be reduced in a managed fashion, should the need arise</li> <li>• Maintain good relationships and clear reporting with current funders</li> <li>• Make sufficient investment in fundraising resources to achieve income targets, whilst maintaining reserves at a level that mitigates any shortfall against targets</li> </ul>

<b>Policies and procedures not followed, with particular note for safeguarding, data protection and health and safety</b>	<p>This has the potential to have serious implications for the young people we work with and also our staff team.</p> <p>If a young person we have worked with or a member of our team comes to harm this is also likely to lead to reputational damage, negative press reports and loss of funder/ public support.</p>	<ul style="list-style-type: none"> <li>● Rigorous induction, training and performance monitoring for all staff.</li> <li>● Staff sign each policy to say they have read and understood it.</li> <li>● Importance of policies and procedures discussed regularly and routinely in supervision sessions, team meetings and away days, and in Board meetings.</li> <li>● Staff have easy access to policies and procedures.</li> <li>● Board places emphasis on importance of policies and procedures. Disciplinary sanctions in place emphasising importance of policies and procedures.</li> </ul>
<b>Damage to reputation, e.g. serious safeguarding incident, financial mismanagement, negative press reports</b>	<p>Reduced ability to raise and maintain income and to attract funders to support our projects</p>	<ul style="list-style-type: none"> <li>● Evidence the impact of our work through high-quality, external evaluations</li> <li>● Maintain good reputation and track record through high impact work and strong partnerships, transparency and openness</li> <li>● Maintain good relationships with and clear reporting processes with current funders</li> </ul>
<b>Breach of data protection principles</b>	<p>Reduction in ability of clients and/or supporters to place their trust in our youthwork/ fundraising teams; reputational damage and loss of funder and public support; risk of fine from Information Commissioners' Office</p>	<ul style="list-style-type: none"> <li>● GDPR working group meets on a quarterly basis to review any incidents, new projects and changes in processes to ensure compliance</li> <li>● Robust data protection policies and processes</li> <li>● Rigorous induction, training and performance for all staff</li> <li>● Disciplinary sanctions in place emphasising the importance of data protection</li> <li>● All staff complete Information Governance training and assessment within 3 months of joining, and repeat on an annual basis</li> <li>● Registration with the Office of the Fundraising Regulator</li> <li>● Data protection issues discussed at every line management supervision session</li> </ul>



## Statement of trustees' responsibilities

The trustees (who are also directors of Redthread Youth Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK 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 of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 operation.

The trustees are also responsible for ensuring that adequate accounting records are kept that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- So far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustee has taken all the steps that he/she ought to have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of 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.

A handwritten signature in black ink, appearing to read 'Paula McDonald', is written over a light blue rectangular background.

Paula McDonald CBE

Chair of Trustees

Date: 15 December 2022

## **Independent auditor's report to the members of Redthread Youth Limited**

### **Opinion**

We have audited the financial statements of Redthread Youth Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the financial statements, including the principle accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these. 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records or returns;
- 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 directors**

As explained more fully in the trustees' responsibilities statement, the directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of financial statements**

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation); and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- used data analytics to investigate the rationale behind any significant or unusual transactions;
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and
- Performed substantive testing on grant income to ensure the income recognised complied with the funding agreements.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

### **Use of this report**

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters that 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 charity and the charity's trustees as a body, for our audit work, or the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Edward Finch', written in a cursive style.

Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London EC2V 6D

Date 20 December 2022

# Financial Statements

## REDTHREAD YOUTH LIMITED

### TRADING AS "REDTHREAD"

(a company limited by guarantee)

#### Statement of financial activities For the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	31-Mar-22 Total £	31-Mar-21 Total £
<b>Income</b>					
Grants & donations	2	696,809	540,733	<b>1,237,542</b>	1,429,021
Charitable activities	3	-	2,782,843	<b>2,782,843</b>	2,511,267
Other	4	33,612	-	<b>33,612</b>	42,716
<b>Total income</b>		<b>730,421</b>	<b>3,323,576</b>	<b>4,053,997</b>	<b>3,983,004</b>
<b>Resources expended</b>					
Charitable activities	5	236,769	3,274,055	<b>3,510,824</b>	3,062,784
Raising funds	6	178,893	116,977	<b>295,870</b>	293,857
<b>Total resources expended</b>		<b>415,662</b>	<b>3,391,032</b>	<b>3,806,694</b>	<b>3,356,641</b>
<b>Net incoming/ (outgoing) resources for the period</b>		<b>314,759</b>	<b>(67,456)</b>	<b>247,303</b>	<b>626,363</b>
Transfers between funds		(258,356)	258,356	-	-
Net movement in funds	7	56,403	190,900	<b>247,303</b>	626,363
Total funds brought forward		1,238,718	411,542	<b>1,650,260</b>	1,023,897
<b>Total funds carried forward:</b>		<b>1,295,121</b>	<b>602,442</b>	<b>1,897,563</b>	<b>1,650,260</b>

## REDTHREAD YOUTH LIMITED

### TRADING AS "REDTHREAD"

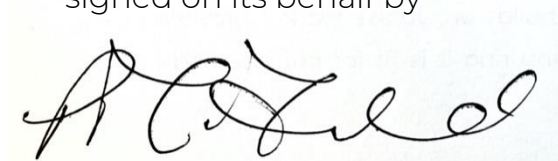
(a company limited by guarantee)

### Balance sheet

as at 31 March 2022

		31 March 2022		31 March 2021	
		£	£	£	£
	Notes				
<b>Fixed assets</b>					
Tangible assets	8		5,959		8,939
<b>Current assets</b>					
Debtors	9	879,258		700,158	
Cash at bank and in hand	10	<u>1,387,308</u>		<u>1,147,092</u>	
		2,266,566		1,847,250	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	<u>(374,962)</u>		<u>(205,929)</u>	
Net current assets/(liabilities)			<u>1,891,604</u>		<u>1,641,321</u>
Total assets less current liabilities			<u>1,897,563</u>		<u>1,650,260</u>
<b>Total net assets</b>			<u><b>1,897,563</b></u>		<u><b>1,650,260</b></u>
<b>Funds</b>					
Unrestricted funds	12a	1,295,121		1,238,718	
Restricted income funds	12b	602,442		411,542	
<b>Total funds</b>			<u><b>1,897,563</b></u>		<u><b>1,650,260</b></u>

The financial statements were approved by the board on 15 December 2022 and signed on its behalf by



Paula McDonald  
Chair of Trustees

Company registration number: 03131121

The notes on pages 23-35 form an integral part of these financial statements

**REDTHREAD YOUTH LIMITED**  
**TRADING AS "REDTHREAD"**  
**(a company limited by guarantee)**

**Statement of cash flows**  
**For the year ended 31 March 2022**

	Notes	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	A	240,130	647,672
<b>Cash flows from investing activities</b>			
Purchase of new ICT equipment	-	(8,994)	
Interest received	85	155	
		<u>85</u>	<u>(8,839)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		240,215	638,833
Cash and cash equivalents at beginning of year		<u>1,147,092</u>	<u>508,259</u>
Cash and cash equivalents at end of year	B	<u>1,387,307</u>	<u>1,147,092</u>

**A. Reconciliation of net movement in funds to net cash provided by operating activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net movement in funds</b>		
(as per the statement of financial activities)	247,303	626,363
<b>Adjustments for:</b>		
Depreciation charge	2,980	3,854
Interest receivable	(85)	(155)
(Increase) / decrease in debtors	(179,101)	142,528
Increase/ (decrease) in creditors	169,033	(124,918)
Net cash provided by operating activities	<u>240,130</u>	<u>647,672</u>

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>B. Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	<u>1,387,307</u>	<u>1,147,092</u>



The principal accounting policies are summarised below.

The accounting policies have been applied consistently throughout the year and the preceding period.

### **1.1 Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the charities SORP as specified in 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements are presented in sterling and are rounded to the nearest pound.

### **1.2 Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- determining the amount of grant income to defer to future periods

A further year on from our emergence from the global coronavirus pandemic the economic climate continues to be challenging. Whilst we continue to monitor and assess all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy, estimates used in the accounts are subject to an increased degree of uncertainty and volatility.

### **1.3 Going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of the financial statements.

As part of this process the trustees have considered the likely impact of the Covid-19 pandemic on the charity's financial position, and, in particular on the ability of the organisation to fundraise for future periods. Whilst there are likely to be a number of far-reaching consequences for the charitable sector and the UK economy as a whole, and this will undoubtedly influence our future plans, Redthread continues to be well-placed to deal with these challenges in the medium to longer term.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern and have asked the executive to ensure that sufficient checks and balances are in place to mitigate against any future challenges. The trustees are of the opinion that the charitable company will have sufficient resources to meet its liabilities as they fall due.

### **1.4 Income recognition**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grant income that has been received to fund work to be undertaken by the charity over a specified time period is recognised in the statement of financial activities as the programme is delivered. For accounting purposes, the extent of completion of a project is equated to the proportion of expenditure incurred. Any amounts received for activities not yet delivered are treated as deferred income. Where no time period is defined, restricted funds are accounted for as income when they are receivable.

### **1.5 Expenditure and the basis of apportioning costs**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, as the charity is not registered for VAT and is reported as part of the expenditure to which it relates.

Charitable expenditure comprised those costs incurred by the charity in the delivery of its 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.

In respect of apportioning overheads and other central costs to projects, Redthread operates a full cost recovery model wherever possible. This means that each project is required to contribute towards those central costs to ensure that the charitable company's infrastructure is maintained at an appropriate level to ensure the sustainability of each project. The contributions applied to each project are calculated using a range of methods:

- for most projects, a contribution is applied that equates to 15% of the total remuneration of the staff team working on that project to cover management and administration costs, and a further 5-10% to cover overheads. The precise percentage applied may vary from project to project, following initial budget negotiations with specific project funders.
- In addition, some project funding includes a fixed contribution to management and/or overhead costs as a specific part of the budget, especially where there is significant input from the members of the central team, or where members of the project team are based at head office. The amount is normally agreed as a fixed sum per quarter/annum.
- Finally, in developing new projects, some members of the Senior Management Team may be directly involved in the planning, mobilisation, and on-going management of the project, and, in these cases, an estimation of the amount of time spent on the project is made, and charges according to our full cost recovery model are applied.

The costs of fundraising comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes and includes the entire cost of employing the Head of Fundraising and all other members of the fundraising team.

Governance costs are the costs associated with the governance of the charitable company and its assets, and the costs associated with any strategic, as opposed to the day-to-day management of the charity's activities. These are allocated to charitable activities.

### **1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the residual value of each asset over its expected useful life, as follows: -

- Computers and other ICT equipment – 33.3% per annum;
- Motor bike – 20% per annum

Depreciation is applied to any individual asset costing more than £1000.

### **1.7 Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **1.8 Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of the acquisition.

### **1.9 Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charitable company anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **1.10 Pension costs**

The pension charge represents payments made to the automatic enrolment workplace pension scheme provided by The People's Pension and is charged to the Statement of Financial Activities in the period to which it relates.

### **1.11 Redundancy and termination costs**

Any payments due to employees as a result of either redundancy processes or termination of employment following a negotiated process are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet at the point in time where the charitable company is committed to making such payment.

### **1.12 Unrestricted funds**

The unrestricted funds comprise those which are freely available for application towards meeting the charitable objectives of the charitable company at the discretion of the trustees.

### **1.13 Restricted funds**

The restricted funds are those whose application is limited by funder-imposed conditions and/or their use is restricted to a specified purpose. Expenditure of projects includes both direct costs attributable to each project and appropriate contributions to support costs. Any deficit incurred on any individual restricted fund is written off by transferring the relevant amount from unrestricted funds in the year in which the deficit occurs.

**2. Income for core costs**

	<b>31-Mar-22</b>			<b>31-Mar-21</b>		
	<b>Unrestricted</b>	<b>Restricted*</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	£	£	£	£	£	£
Home Office	-	430,339	430,339	-	353,994	353,994
Trusts and Foundations:	645,163	110,394	755,557	917,043	115,892	1,032,935
Supporters and Donations	51,646	-	51,646	42,092	-	42,092
	<b>696,809</b>	<b>540,733</b>	<b>1,237,542</b>	<b>959,135</b>	<b>469,886</b>	<b>1,429,021</b>

**3. Income from charitable activities**

	<b>31-Mar-22</b>			<b>31-Mar-20</b>		
	<b>Unrestricted</b>	<b>Restricted*</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	£	£	£	£	£	£
Youth Violence Intervention Programme - London Major Trauma Centres (MTCs)	-	723,449	<b>723,449</b>	-	588,177	588,177
YVIP - IDVA Programme	-	15,000	<b>15,000</b>	-	15,000	15,000
Youth Violence Intervention Programme - Midlands	-	493,229	<b>493,229</b>	-	601,190	601,190
Youth Violence Intervention Programme - London A&Es	-	1,028,254	<b>1,028,254</b>	-	906,323	906,323
King's Evaluation Project (Guys & St Thomas' Charity)	-	160,000	<b>160,000</b>	-	-	-
The Well Centre Streatham	-	-	-	-	8,589	8,589
Comic Relief - Young Women's Project	-	76,502	<b>76,502</b>	-	78,694	78,694
King's Adolescent Outreach Service	-	62,699	<b>62,699</b>	-	74,862	74,862
Social Switch project	-	99,668	<b>99,668</b>	-	125,849	125,849
Kailo Project (University College London)	-	7,173	<b>7,173</b>	-	-	-
Youth participation	-	10,000	<b>10,000</b>	-	10,000	10,000
Social Prescribing (Hackney and Birmingham)	-	3,849	<b>3,849</b>	-	-	-
Direct Programme Support	-	103,020	<b>103,020</b>	-	102,582	102,582
	<b>-</b>	<b>2,782,843</b>	<b>2,782,843</b>	<b>-</b>	<b>2,511,267</b>	<b>2,511,267</b>

*\*Sources of restricted funds are analysed in note 13*

#### 4. Other income

	31-Mar-22			31-Mar-21		
	Unrestricted	Restricted*	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Bank interest	85	-	85	155	-	155
Other income	33,527	-	33,527	1,675	-	1,675
HMRC Job Retention Scheme grant	-	-	-	40,886	-	40,886
	<u>33,612</u>	<u>-</u>	<u>33,612</u>	<u>42,716</u>	<u>-</u>	<u>42,716</u>

**5. Costs of charitable activities - by project**

	<b>31-Mar-22</b>			<b>31-Mar-21</b>		
	<b>Unrestricted</b>	<b>Restricted*</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	£	£	£	£	£	£
Youth Violence Intervention Programme - London MTCs	-	741,859	741,859	-	775,592	775,592
YVIP - IDVA Programme	-	15,000	15,000	-	15,000	15,000
Youth Violence Intervention Programme - Midlands	-	491,920	491,920	-	478,543	478,543
Youth Violence Intervention Programme - London A&Es	-	1,061,601	1,061,601	-	985,358	985,358
King's Evaluation Project (Guys & St Thomas' Charity)	-	160,000	160,000	-	-	-
The Well Centre Streatham	-	-	-	-	18,724	18,724
Comic Relief - Young Women's Project	-	84,085	84,085	-	78,694	78,694
King's Adolescent Outreach Service	-	62,699	62,699	-	74,862	74,862
Social Switch Project	-	99,668	99,668	-	143,083	143,083
Kailo Project (University College London)	-	7,173	7,173	-	-	-
Youth Participation	-	17,438	17,438	5,000	2,562	7,562
Social Prescribing (Hackney & Nottinghamshire)	-	3,849	3,849	-	-	-
Direct Programme support	-	143,571	143,571	9,663	108,768	118,431
Other support costs	236,769	385,192	621,961	37	366,897	366,934
	<b>236,769</b>	<b>3,274,055</b>	<b>3,510,824</b>	<b>14,700</b>	<b>3,048,084</b>	<b>3,062,784</b>

**6. Cost of fundraising**

	<b>31-Mar-22</b>			<b>31-Mar-21</b>		
	<b>Unrestricted</b>	<b>Restricted*</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted*</b>	<b>Total</b>
	£	£	£	£	£	£
Staffing (salaries, NI, pension)	163,152	94,499	257,651	162,162	93,588	255,750
Other costs	15,742	22,477	38,219	15,057	23,050	38,107
	<b>178,894</b>	<b>116,976</b>	<b>295,870</b>	<b>177,219</b>	<b>116,638</b>	<b>293,857</b>

**7. Net movement in funds**

This is stated after charging:

Staff costs (see note 16)

Operating leases

Depreciation

Auditor's remuneration:

- statutory audit services

- other services

	<b>31-Mar-22</b>	<b>31-Mar-21</b>
	£	£
Staff costs (see note 16)	2,732,638	2,751,742
Operating leases	187,456	45,743
Depreciation	2,980	3,854
Auditor's remuneration:		
- statutory audit services	9,180	7,250
- other services	1,450	

**8. Tangible fixed assets**

	ICT £	Vehicles £	Total £
<b>Cost</b>			
At 1 April 2021	23,745	8,975	32,720
Additions	-	-	-
At 31 March 2022	23,745	8,975	32,720
<b>Depreciation</b>			
At 1 April 2021	14,806	8,975	23,781
Charge for the year	2,980	-	2,980
At 31 March 2022	17,786	8,975	26,761
<b>Net book value</b>			
At 31 March 2022	5,959	-	5,959
At 31 March 2021	8,939	-	8,939

**9. Debtors**

	31-Mar-22 £	31-Mar-21 £
Accounts receivable	418,877	224,441
Prepayments	66,085	31,100
Accrued income	365,220	415,985
Other debtors	29,076	28,632
	<b>879,258</b>	<b>700,158</b>

**10. Cash & cash equivalents**

	31-Mar-22 £	31-Mar-21 £
Current Accounts	113,590	72,955
Interest-bearing account	1,266,536	1,067,390
Petty cash floats	2,170	3,740
Pleo Account (pre-paid expense cards)	5,012	3,007
	<b>1,387,308</b>	<b>1,147,092</b>

**11. Creditors**

	31-Mar-22 £	31-Mar-21 £
Accounts payable	103,225	67,087
Accruals	107,511	21,364
Deferred income	164,226	117,478
	<b>374,962</b>	<b>205,929</b>



**Movement on deferred income:**

	31-Mar-22	31-Mar-21
	£	£
Deferred income at 1 April	117,478	202,129
Amounts deferred during the year	156,887	110,145
Amounts released to income during the year	(110,139)	(194,796)
Deferred income at 31 March	164,226	117,478

Deferred income comprises grant income received in 2021-22 which is to be applied to fund expenditure in future years.

12. Reconciliation of funds	01-Apr-21	Incoming funds	Outgoing resources	Fund transfers	31-Mar-22
	£	£	£	£	£
<b>a. Unrestricted funds</b>	1,238,718	730,421	(415,662)	(258,356)	1,295,121
	01-Apr-21	Incoming funds	Outgoing resources	Fund transfers	31-Mar-22
<b>b. Restricted funds</b>	£	£	£	£	£
Support costs (includes cost of fundraising)	21,850	540,733	(502,169)	-	60,414
Programme Support	12,125	103,020	(143,571)	37,751	9,325
Youth participation	7,348	10,000	(17,438)	-	-
YVIP London MTCs	-	738,449	(756,859)	146,527	128,117
YVIP London A&Es	124,443	1,028,254	(1,061,601)	63,396	154,492
YVIP Midlands	233,161	493,494	(492,185)	3,100	237,570
KAOS	-	62,699	(62,699)	-	-
I Define Me – Young Women's Project	-	76,502	(84,085)	7,583	-
Social Switch Project	12,523	99,668	(99,668)	-	12,523
King's YVIP Evaluation	-	160,000	(160,000)	-	-
Kailo Project	-	7,174	(7,174)	-	-
Social Prescribing	-	3,584	(3,584)	-	-
	<b>411,542</b>	<b>3,323,576</b>	<b>(3,391,030)</b>	<b>258,356</b>	<b>602,442</b>

Unrestricted funds are used to carry out any of the charity's objectives, while restricted funds are tied to funding specific objectives or projects. Where specific projects show a deficit between income and expenditure at the end of the financial year, unrestricted funds are applied to make each project fully funded.

**13. Sources of Restricted Funds**

	31 Mar 22	31 Mar 21
Central costs	£	£
Westminster Foundation	50,394	40,892
Paul Hamlyn Foundation	15,000	30,000
The Home Office	417,436	353,994
Stavros Niarchos Foundation	45,000	45,000
Children in Need	10,000	10,000

Youth Endowment Fund	12,903	-
<b>Direct Programme Support Costs</b>		
Mayor's Office for Policing and Crime (Violence Reduction Unit)	53,020	52,582
Stone Family Foundation	50,000	50,000
<b>Youth Violence Intervention Programme</b>		
<b>London:</b>		
Mayor's Office for Policing and Crime	275,707	270,300
Mayor's Office for Policing and Crime (Violence Reduction Unit)	278,005	237,151
Mayor's Office for Policing and Crime (A&E Contract)	749,508	637,082
National Lottery Community Fund	-	50,000
The Home Office	-	59,063
King's College Hospital	-	15,770
South East London Clinical Commissioning Group – London Vanguard	112,307	-
South East London Clinical Commissioning Group – Winter Pressures	25,812	-
The Leatherseller's Company	15,000	-
Corporate donations	23,936	-
W O Street Charitable Trust	4,000	-
John Horseman Charitable Trust	5,000	5,000
The Draper's Company	15,000	15,000
Coral Samuel Charitable Trust	-	1,000
The Park Family Foundation	5,000	5,000
John Coates Charitable Trust	5,000	-
Help for Children	18,000	-
John Lyons' Charity	-	12,500
Schroder Charity Trust	-	5,000
Gledswood Charitable Trust	-	500
The Gosling Foundation	-	12,000
The Peter Stebbings Memorial Charity	-	10,000
D'Oyley Carte Charitable Trust	-	3,000
Allen & Overy Foundation	-	10,000
French Huguenot Charitable Trust	-	2,000
Assura Community Fund	-	5,000
The Rayne Foundation	-	20,000
UCLH Charity	133,333	133,333
Guys' & St Thomas' Charity (King's YVIP Evaluation project)	160,000	-
Hiscox Foundation	30,000	-
Hackney Parochial Charity	5,000	-
Charles S French Charitable Trust	1,500	-
Charles Hayward Foundation	25,000	-
CAF: The Vanguard Hometown Grants Programme	38,895	-
Direct grants for young people	700	800
		-
<b>MIDLANDS:</b>		-
NHS England	94,094	188,187
The Health Foundation	-	25,461

Nottinghamshire Office of the Police & Crime Commissioner	50,000	100,000
Nottinghamshire Violence Reduction Unit	23,458	23,213
Nottingham Hospitals Charity	50,000	-
Keeping Nottinghamshire Safer (OPCC)	10,000	-
Nottinghamshire Victim Care	10,000	2,000
Nottingham Trent Students' Union	-	1,500
Thomas Farr Charitable Trust	2,000	-
Brown Jackson Charitable Trust	2,000	-
Community donations	1,000	1,419
West Midlands Police & Crime Commissioner	85,000	85,000
NHS Birmingham & Solihull CCG	63,392	58,804
Birmingham Women's & Children's Hospital	36,000	12,000
West Midlands VRU	1,200	-
Barrow Cadbury Trust	-	16,250
Michael Marsh Charitable Trust	-	2,500
University Hospitals Birmingham NHS Foundation Trust	25,000	25,000
University Hospitals Birmingham Charity	29,550	39,256
The Eveson Charitable Trust	-	15,000
Baron Davenport's Charity	-	600
DMF Ellis Charitable Trust	5,000	5,000
Stanley Smith Charitable Memorial Fund	800	-
The Norton Foundation	5,000	-
<b>The Well Centre</b>		
Children-in-Need (Counselling)	-	8,589
<b>King's Adolescent Outreach Service</b>		
King's College Hospital	62,699	74,862
<b>Young Women's Project</b>		
Comic Relief	76,502	78,694
<b>Social Switch Project</b>		
Catch 22 / Google.org	10,080	49,034
Catch 22/ London VRU	81,588	76,815
Greater Manchester Schools Pilot	8,000	-
<b>Hackney Social Prescribing</b>		
WSC Primary Care Network	3,584	-
<b>Kailo Mental Health Research Project</b>		
University College London	7,174	-
	<b>3,323,576</b>	<b>2,981,153</b>

**14. Analysis of net assets by fund**

Fund balances represented by:-	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	5,959	-	5,959
Current assets	1,387,307	879,259	2,266,566
Creditors: amounts falling due within 1 year	(98,145)	(276,817)	(374,962)
	<b>1,295,121</b>	<b>602,442</b>	<b>1,897,563</b>

**15. Operating lease commitments**

As at the balance sheet date the charity had the following commitments under operating leases in relation to buildings which expire:-

	31-Mar-22	31-Mar-21
	£	£
Within one year:	117,784	91,486
Between one and five years	187,456	45,743

**16. Employees**

	31-Mar-22	31-Mar-21
	£	£
Wages and salaries	2,386,343	2,415,668
Social Security Costs	239,460	237,864
Workplace pension	83,791	82,395
Working from home allowance	23,044	15,816
	<b>2,732,638</b>	<b>2,751,743</b>

	31-Mar-22	31-Mar-21
Youth work, management and support services	78	79

The number of staff whose total emoluments (comprising salary, employer's NI and pension contributions) fell within each of the following bands was:-

	31-Mar-22	31-Mar-21
Between £90,001 and £100,000	1	0
Between £80,001 and £90,000	0	1
Between £70,001 and £80,000	0	0
Between £60,000 and £70,000	3	4

**17. Senior Management Team**

At the beginning of the year, the Senior Management Team consisted of the Chief Executive, the Chief Operating Officer, the Director of Programmes, the Head of Fundraising, the Head of Finance and the Business Development Manager.

Both the Chief Operating Officer and the Business Development Manager left to take up new roles in July 2021, and the decision was made to undertake a review of the Senior Management Team in order to ensure the organisational structure is best suited to take our future strategic plans forward. As part of this process an interim post of Director of Operations and Transformation was introduced, initially on a consultancy basis and the decision was taken not to fill the two vacancies until the review had been concluded. In addition, the Operations Manager, who manages our HR and recruitment function was invited to join the Senior Management Team, pending the outcome of the review.

The total cost of employing the Senior Management Team in 2021-22 was therefore £366,389 - slightly less than the previous year (2020-21: £377,155), however this figure does not include the costs of the interim consultancy.

Towards the end of the year the Director of Programmes and Head of YVIP left Redthread and so Tracey Burley was appointed Deputy Chief Executive Officer as an employee from 1 March 2022, and was subsequently appointed as Interim Chief Executive on 1 July 2022. This also supported the ongoing Senior Management Team review.

Payments in lieu of notice and compensation payments relating to termination initiated during the year were £84,307 (2021: nil). These were included in expenditure for the year and accruals at year-end and have been fully paid prior to the approval of these financial statements.

No trustee expenses have been incurred or paid during the year.

### **18. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

### **19. Related party transactions**

There were no related party transactions.

### **20. Company limited by guarantee**

Redthread Youth Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such an amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

## **Thank you to all our funders and supporters:**

**29<sup>th</sup> May 1961 Charitable Trust**  
**Alchemy Foundation**  
**Arnold National Women's Register Group**  
**Barton Trust**  
**Birmingham Women & Children's Hospital**  
**Boodle Hatfield**  
**Browne Jacobson Charitable Trust**  
**Caring as One Foundation**  
**Charles S French Charitable Trust**  
**Charles Hayward Foundation**  
**Chesterhill Charitable Trust**  
**Children in Need**  
**Comic Relief**  
**Dentons UK Charitable Trust**  
**DMF Ellis Charitable Trust**  
**Drapers' Charitable Fund**  
**Esmée Fairbairn Foundation**  
**Eveson Charitable Trust**  
**The French Huguenot Church of London Charitable Trust**  
**Giveclarity**  
**Google.org**  
**Groundwork UK Ltd**  
**Guy's & St Thomas' Charity**  
**Hackney Parochial Charities**  
**Help for Children (HfC)**  
**Hiscox Foundation**  
**Home Office**  
**ISS Facility Services UK**  
**John Armitage Charitable Trust**  
**John Coates Charitable Trust**  
**John Horseman Charitable Trust**  
**Kent Youth League**  
**King's College Hospital NHS Foundation Trust**  
**Leathersellers' Company Charitable Trust**  
**London Diocese – Parish Lent Appeal**  
**London VRU (Violence Reduction Unit)**  
**Magdalen Park Lawn Tennis Club**  
**Memery Crystal LLP**  
**Metropolitan Police Giving Scheme**

**NHS England Midlands**  
**Note-orious Community Choir**  
**Nottingham Hospitals Charity**  
**Nottinghamshire Office of the Police & Crime Commissioner**  
**Nottinghamshire Victim CARE**  
**Nottingham & Nottinghamshire VRU (Violence Reduction Unit)**  
**Park Family Foundation**  
**Paul Hamlyn Foundation**  
**Penningtons Manches Cooper LLP**  
**Peter Courtauld Charitable Trust**  
**Portrack Charitable Trust**  
**R L Glasspool Charity**  
**Sam & Bella Sebba Charitable Trust**  
**NHS South East London Clinical Commissioning Group**  
**Stanley Smith Charitable Memorial Fund**  
**Stavros Niarchos Foundation**  
**Stone Family Foundation**  
**Tipton & Coseley Charitable Foundation**  
**The Mayor's Office for Policing and Crime**  
**The Norton Foundation**  
**The Rayne Foundation**  
**Thirty Percy Foundation**  
**Thomas Farr Charitable Trust**  
**University College London (Kailo project)**  
**University College London Hospital Charity**  
**University Hospitals Birmingham Charity**  
**University Hospitals Birmingham NHS Foundation Trust**  
**West Midlands VRU (Violence Reduction Unit)**  
**Westminster Foundation**  
**W O Street Charitable Trust**  
**Well Street Common Primary Care Network**  
**The Vanguard Group Foundation**  
**Youth Endowment Fund**

**And all the individuals and organisations who make regular and occasional donations in support of our work, or who take part in and organise fundraising challenges and activities.**