



Redthread Youth Limited

Company no 03131121

Charity no 1051260

Annual Report and Accounts

For the 17-month period ended 31 August 2024

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About Redthread

Redthread is a multi-award-winning charity with over 20 years' experience of delivering pioneering youth work in hospitals and other health settings. We work across 10 hospitals in London and Birmingham with 11-25 year olds who are affected by grooming, sexual and criminal exploitation, violence, emotional and physical harm, mental health issues, domestic violence and modern slavery. We also support children and young people in the online space to reduce the impacts of violence, and with those experiencing a range of health conditions, who are vulnerable and in need.

We also train NHS staff so that they can identify, and better support children and young people affected by violence. We amplify the voices of children and young people and use our evidence and insights from working with them to adapt and innovate our work, support service improvement, and influence regional and national policy and practice.

Our purpose

Redthread's purpose is to be present where children and young people need us most. We support young people facing adversity related to mental health, sexual violence and exploitation as well as those who continue to be caught up in youth violence. We amplify their voices so that systems and services are better able to meet their needs and support them towards leading healthier, safer and happier 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 & administrative information

Company Name: Redthread Youth Limited

Charity Number: 1051260

Company registration number: 03131121

Registered office: 27 Pear Tree Street, London EC1V 3AG

Trustees: Paula McDonald CBE (chair)

Lawrence Bate

Emer Sutherland

Andrew Canniford (appointed 12 August 2024)

Jeffrey Jacobs (appointed 12 August 2024)

Kasuba Ng'ona (appointed 12 August 2024)

Ufuoma Irene Sobowale (appointed 12 August 2024)

Myles Bradshaw (resigned 12 August 2024)

Miriam Bullock (resigned 12 August 2024)

Natalie Carsey (resigned 31 July 2024)

Chief Executive: Lucie Russell (interim – 1 April 2023 to 4 June 2023)

Geethika Jayatilaka (5 June 2023 to 16 October 2023)

Lucie Russell (17 October 2023 to 12 August 2024)

Redthread Transition Director: Kate Wareham (appointed 12 August 2024)

Auditors: Buzzacott Audit LLP, 130 Wood Street, London EC2V 6DL

Bankers: Lloyds Bank plc, Camberwell Green branch

Camberwell Green

London SE5 7AB

“As we reflect on our work, we do so with immense pride in the impact we’ve had.”

Paul McDonald CBE
Chair of Trustees, Redthread

Over the past three decades, Redthread has been a lifeline for thousands of children and young people affected by violence and experiencing some of life’s toughest challenges. From our earliest youth projects in London to pioneering the UK’s first hospital-based youth violence intervention services, our journey has always been driven by a simple but powerful belief: every young person deserves to live a safe, healthy, and happy life.

This year, as we reflect on our work, we do so with immense pride in the impact we’ve had—and with clarity about the challenges ahead. Redthread’s Youth Violence Intervention Programme has expanded across hospitals in London and Birmingham, our Young Women’s programme is providing specialist support to vulnerable young women and girls and our trauma-informed, youth-led approach continues to shape the thinking of both practitioners and policy makers.

Our work has attracted the attention of the media, including Channel 4 News who put the spotlight on Redthread’s groundbreaking Young Women’s Service. We have also hosted the Ministry of Justice’s Youth Justice team and the Chair of the Youth Justice Board – and as members of the Government’s Tackling Knife Crime Coalition, we’re playing a key role in shaping national policy.

Teachable, reachable moments

At Redthread we invented the concept of the teachable, reachable moment – working with young people when they’re at their most vulnerable. In doing so, we’ve not only been able to have significant immediate impact but also in many cases prevent those young people returning to a world of fear and risk.

A pivotal moment

Yet, like many charities in the current climate, we faced significant financial pressures that threatened our sustainability and ability to deliver our services. In response to these challenges we explored ways to protect the vital work we’re doing. That’s why this year marked a pivotal moment in Redthread’s history; we sought new delivery partnerships and following a competitive, best value assessment, we took the decision to merge with Catch22. We are delighted that this partnership will safeguard the future of Redthread’s services and strengthen our impact.

Catch22 shares our mission, values, and commitment to young people. We’ve already collaborated on powerful programmes such as The Social Switch Project where we’ve seen firsthand what’s possible when our strengths are combined. As part of Catch22, young people supported by Redthread will also be able to access the range of other Catch22 services, including employability programmes, drug and substance use services and community-based child exploitation support.

Retaining our identity

We know how strong the Redthread brand is, built over two decades through the life changing, essential work we do. For this reason, we will retain our trusted name and identity withing the Catch22 family. Ultimately, this merger is safeguarding what matters most: the services that young people rely on, and the frontline teams who deliver them.

Meeting increasing need

We know that young people's needs are growing more complex and more urgent; Recent figures show that half of teenagers in England and Wales have witnessed or been victims of violence. Redthread, as part of Catch22, is in a strong position to rise to this challenge with renewed energy and purpose. With the current Government prioritising violence reduction, we are ready to share our insight and help drive changes to the system that will benefit the young people we work with.

Nothing short of outstanding

Thank you to our dedicated staff, supporters, and partners who have stood by us this year. Thank you to our past CEO and executive of Redthread and the CEO and Executive Team at Catch22 who have worked collaboratively with the Board to steer through and navigate this merger, bringing together a diverse mix of skill and expertise and huge commitment.

Specifically, to Redthread staff, we want to personally thank you for everything you do. You help young people in their most vulnerable moments to navigate trauma, build trust, find their voice, and see a future filled with hope. Your expertise as youth workers in the hospital setting is unique and is valued highly by those you work with, for and by others across our sector. You really are nothing short of outstanding.

Trustees' report (incorporating Directors' report) for the 17 months ended 31 August 2024

Overview

Following a year of transition in 2022-23, and the continuing challenges faced by charities and communities across the UK; including challenges in securing new sustainable funding, rising costs due to the impact of inflation and the increasing volume and complexity of needs of those we work with the trustees decided to review and reflect on the best way to protect our vital work with children and young people and came to the conclusion that the most sustainable way forward, in the current economic and social climate, would be to seek a new way of working, and to this end, after extensive consideration of a range of options, the trustees made the decision to merge with Catch22 Charity Ltd (Catch22), a charity which is focussed on building resilience and aspiration in people of all ages and communities across the UK.

Our two organisations have strongly aligned missions and values, and Redthread has previously worked in a successful partnership with Catch22 on influencing policy as well as establishing and co-delivering The Social Switch Programme.

Therefore, following a thorough process of discovery and due diligence, Redthread formally became part of the Catch22 group in August 2024. A new Transition Board, incorporating both existing and new trustees, was established to ensure that the merger progressed smoothly and with as little disruption as possible to the important work we continue to deliver. Whilst for now Redthread continues as a separate entity, the formal merger will take place in due course, and Redthread will be fully integrated into Catch22 before the end of the next financial period and Redthread will cease to operate as a separate entity, but its brand and work will continue.

We thank all of our funders and donors, all of whom have been kept informed during this process and who have been incredibly supportive of this decision.

The intention for the future is to use our collective strength to both maintain and grow the life changing work already taking place, and we look forward to realising the full potential of this new partnership.

Governance

Redthread Youth Limited is a registered charity and a company limited by guarantee in England and Wales, its objects and powers are set out in its Memorandum and Articles of Association. The members of the charitable company are also the directors/trustees. The charitable company operates under the name "Redthread."

As part of the process of the merger, the financial reporting period of Redthread was revised to align with that of Catch22, so this report covers a 17-month period, from 1st April 2023 through to 31st August 2024. Before the end of the next financial year ending 31st August 2025, Redthread will have formally completed the merger with Catch 22 Charity Limited (registered charity no 1124127 and a company limited by guarantee 06577534). We are currently working with our funders and partners to manage the transfer of all of these key relationships to the new entity, and once this process is concluded the Redthread will be closed down.

In the meantime, a transition board has been established to administer the charity and meets on a bi-monthly basis. As part of the transition process, Catch22 has also been registered as a person with significant control and has the right to appoint or remove directors.

The transition board is chaired by Redthread's chair of trustees, Paula McDonald CBE and comprises two trustees from the previous Redthread board – Emer Sutherland (Clinical Director for Emergency Care at King's College Hospital) and Lawrence Bate (formerly Director of Strategy and Impact at the British Heart Foundation), two trustees from Catch 22's board – Jeff Jacobs and Irene Sobowale and two members of Catch22's senior management team – Andy Canniford and Kasuba Ng'ona,

In place of the Redthread Executive team, who left the organisation as part of the merger process, the trustees have seconded Kate Wareham, Catch22's Strategic Director for Young People, Families and Communities to lead the team as Redthread's Transition Director, and alongside other Catch22 seconded colleagues, she manages the day-to-day operations of the charity, alongside Redthread's existing Service Leads, Programme Managers and Team Leaders.

To further enable Redthread to run effectively and efficiently, Catch22 now provide all essential support services to Redthread including finance, fundraising, marketing and communications, data & insights, policy and influencing, business development, and human resources.

The transition board has established appropriate controls and reporting mechanisms to ensure that the leadership team operates within the powers delegated to it.

The trustees, who are the directors for the purposes of company law, present their statutory report, including plans for the future, together with the Redthread's financial statements for the period ending 31 August 2024.

The report has been prepared in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice) and in accordance with the Charities Act 2011 and Part 15 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 18-20. A full statement of trustees' responsibilities can be found below.

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

Activities and Impact

Our flagship programmes include our Youth Violence Intervention Programme (YVIP), our Young Women's Service and our services with children and young people with multiple needs and vulnerabilities across eight emergency departments and major trauma centres in London, and Birmingham. For the majority of this period, we were also delivering a YVIP based within Queen's Medical Centre in Nottingham, however funding for this service came to an end in April 2024.

Redthread also delivers a number of other health related programmes including a counselling service in Birmingham and a project working with young adults dealing with liver disease in South East London, as well as continuing its partnership working with Catch 22 on the Social Switch programme, which aims to switch the narrative on how social media's relationship with violence affecting young people is understood, tackled and solved.

During the 17-month period covered by this report, Redthread:

Worked with 1,439 children and young people

On our Youth Violence Intervention programme:

61% reduced their risk of further harm

26% were supported in managing their mental health

44% reported feeling more optimistic about their future

28% reported feeling better able to ask professionals for help

Financial Review

Total income received in the 17-month period from 1 April 2023 to 31 August 2024 came to £4,466,428 (year to 31 March 2023 - £3,661,909). Some £598,218 (13%) of this was unrestricted and included unrestricted grants from trusts and foundations, donations from individual and corporate donors, gift aid claims and bank interest. £188,362 in restricted grants for core costs was also received in this period, whilst restricted income from charitable activities came to £3,679,848 (82% of total income).

The largest funder during this period, providing just under 47% of our income for our charitable activities, was London's Violence Reduction Unit, who continue to support Redthread's vital work in hospitals, working with vulnerable young people who are victims of youth violence. In addition, the VRU funds the Social Switch programme, which we continue to deliver in partnership with Catch 22.

Overall, 67% (£3,868,210) of Redthread's income during this period came from statutory and institutional funders (local government and NHS funders), whilst 32% (£1,433,015) came from a wide range of charitable trusts and foundations. Of the remaining amount, £52,624 came from individual and corporate supporters, and a small amount from other sources (e.g. bank interest).

Total expenditure came to £5,254,175 (year to 31 March 2023 - £3,882,436), leaving a deficit for the year of £787,747 (year to 31 March 2023 - £220,527).

At the end of August 2024, Redthread's unrestricted reserves stood at £607,729, (giving a free reserve figure of £595,790) whilst a further amount of £281,560 remained in restricted funds, which will be applied to ongoing activities from September 2024 onwards.

Following the transfer of Redthread to become part of the Catch22 group with effect from 12 August 2024, and the subsequent transfer of most of the head office staff team to Catch 22's employment, the monthly direct costs have been significantly reduced. Average monthly outgoings since 1st September have reduced to approximately £170k and will continue to reduce as we move through the next quarter. This means that the free reserves provide the equivalent of around 3.5 months of expenditure.

Currently Redthread remains a separate legal entity, however the current intention is for the formal merger to be completed by April 2025, and all remaining assets and liabilities will then be transferred to Catch22.

Risk management

The trustees confirm that they have identified the main risks to which the Charity is exposed, including the volatility of sustainable income streams which ultimately led to the decision to proceed with the merger with Catch22. As part of the transition process, systems and procedures have been maintained and integrated with Catch22 in order to mitigate other ongoing risks that have been identified as part of the due diligence and discovery processes that have taken place as part of the merger.

Statement on fundraising

At Redthread we have always greatly valued the support we receive from individuals, organisations, companies, and funders. Redthread is registered with the Fundraising Regulator and abides by the Code of Fundraising Practice. We continue to uphold the four values of the Code of Fundraising Practice; our fundraising is legal, open, honest, and respectful.

Redthread's fundraising and income generation is now led jointly by Catch22's Director of External Affairs and Partnerships (voluntary income including trusts, foundations and individual giving) and the Director of Business Development (contracts and statutory funding) with support from colleagues and wider networks.

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

- Applying for government funding and influencing opportunities for future funding and commissioning.
- Applying for funding from grant-making trusts, foundations or other organisations
- 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

We do not:

- Conduct regular gift, face-to-face fundraising on the street
- 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 check funding sources to ensure they are appropriate and in line with Redthread's values. We have never received any complaints about our fundraising activities, and as part of the transition to the merger with Catch22 we will review our fundraising processes and activities to ensure they remain compliant.

Public benefit

In setting objectives and planning activities during this transition period, 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.

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.

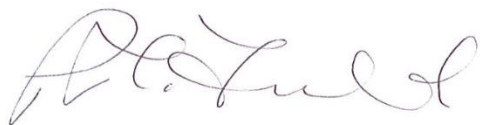
They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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', written in a cursive style.

Paula McDonald CBE

Chair of Trustees

Date: 21 May 2025

Opinion

We have audited the financial statements of Redthread Youth Limited (the ‘charitable company’) for the 17-month period ended 31 August 2024 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 August 2024 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.

Emphasis of matter – financial statements prepare on a basis other than going concern

We draw attention to the accounting policy on page 18 of the financial statements which explains that the charity is intending to transfer all activities, assets and liabilities to Catch 22 Charity Limited in 2025. As a result, it is not appropriate to adopt a going concern basis of accounting in the preparation of the financial statements and as a result the financial statements need to be prepared on a breakup basis.

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.

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

conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' report, which is also the directors' report for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law 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 trustees' 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; or
- The financial statements are not in agreement with the accounting records or 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 directors

As explained more fully in the trustees' responsibilities statement, 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 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. 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.



22 May 2025

Edward Finch (Senior Statutory Auditor)

For and on behalf of Buzzacott Audit LLP, Statutory Auditor

130 Wood Street, London EC2V 6DL

Financial Statements

REDTHREAD YOUTH LIMITED

TRADING AS "REDTHREAD"

(a company limited by guarantee)

Statement of financial activities

For the 17 months ended 31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	31-Aug-24 Total £	31-Mar-23 Total £
Income					
Grants & donations	2	595,344	188,362	783,706	561,091
Charitable activities	3	-	3,679,848	3,679,848	3,099,079
Other	4	2,874	-	2,874	1,729
Total income		598,218	3,868,210	4,466,428	3,661,909
Resources expended					
Charitable activities	5	811,079	4,170,973	4,982,052	3,579,763
Raising funds	6	256,326	15,797	272,123	302,673
Total resources expended		1,067,405	4,186,770	5,254,175	3,882,436
Net incoming/(outgoing) resources for the period		(469,187)	(318,560)	(787,747)	(220,527)
Transfers between funds		(90,331)	90,331	-	-
Net movement in funds	7	(559,518)	(228,229)	(787,748)	(220,527)
Total funds brought forward		1,167,247	509,789	1,677,036	1,897,563
Total funds carried forward		607,729	281,560	889,289	1,677,036

The notes on pages 20-31 form an integral part of these financial statements

REDTHREAD YOUTH LIMITED

TRADING AS "REDTHREAD"

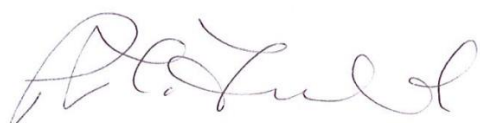
(a company limited by guarantee)

Balance sheet

as at 31 August 2024

		31 August 2024		31 March 2023	
		£	£	£	£
	Notes				
Fixed assets					
Tangible assets	8		11,938		16,292
Current assets					
Debtors	9	394,519		1,033,053	
Cash at bank and in hand	10	609,569		1,112,860	
		<u>1,004,088</u>		<u>2,145,913</u>	
Liabilities					
Creditors: amounts falling due within one year	11	<u>(126,737)</u>		<u>(485,169)</u>	
Net current assets			<u>877,351</u>		<u>1,660,744</u>
Total assets less current liabilities			<u>889,289</u>		<u>1,677,036</u>
Total net assets			<u>889,289</u>		<u>1,677,036</u>
Funds					
Unrestricted funds	12a	607,729		1,167,247	
Restricted income funds	12b	281,560		509,789	
Total funds			<u>889,289</u>		<u>1,677,036</u>

The financial statements were approved by the board and authorised for issue on 21 May 2025.



Paula McDonald CBE
Chair of Trustees

The notes on pages 20-31 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 17 months ended 31 August 2024

	Notes	2024	2023
		£	£
Cash flows from operating activities			
Cash generated from operations	A	(504,578)	(258,431)
Cash flows from investing activities			
Purchase of new ICT equipment	(8,353)	(17,401)	
Interest received	9,640	1,385	
		1,287	(16,016)
Net decrease in cash and cash equivalents		(503,291)	(274,447)
Cash and cash equivalents at beginning of year		1,112,860	1,387,307
Cash and cash equivalents at end of year	B	609,569	1,112,860

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

	2024	2023
	£	£
Net movement in funds		
(as per the statement of financial activities)	(787,747)	(220,527)
Adjustments for:		
Depreciation charge	12,707	7,068
Interest receivable	(9,640)	(1,385)
(Increase) / decrease in debtors	638,534	(153,795)
Increase/ (decrease) in creditors	(358,432)	110,207
Net cash provided by operating activities	(504,578)	(258,431)

	2024	2023
	£	£
B. Analysis of cash and cash equivalents		
Cash at bank and in hand	609,569	1,112,861

The notes on pages 20-31 form an integral part of these financial statements

1. Principal accounting policies

The principal accounting policies are summarised below.

The accounting policies have been applied consistently throughout the period covered by these statements 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 judgements, estimates and assumptions regarding the assets and liabilities of the charity. These estimates and associated assumptions are based on historical experience but also a consideration of the future funding landscape and an economic climate that continues to be challenging and other factors that are considered to be relevant, including the progress that has been made towards merging with Catch22.

The estimates and assumptions are reviewed on an ongoing basis and the trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above, with the exception of the potential costs associated with the process of finalising the transfer of Redthread's assets to Catch22 that may arise between the balance sheet date and the date of transfer.

1.3 Going concern

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

During the course of 2025, the charity will transfer, in accordance with the transfer agreement signed by both parties, all activities, assets and liabilities as a going concern to Catch 22 Charity Limited (a company limited by guarantee, no 065577534 and a registered charity, no 1124127), and in these circumstances the trustees do not deem it appropriate to continue to adopt the going concern basis for the preparation of these financial statements.

1.4 Income recognition

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, has met any performance conditions attached 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.
- During the period covered by these financial statements, a review of the methodology of apportioning central costs was undertaken, and, from April 2024 onwards a revised approach was introduced which recognised that a proportion of head office costs should be re-classified as direct costs and apportioned accordingly.
- 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;
- Depreciation is applied to any purchase of assets costing more than £1000 where the cost is not covered by the funder.

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 and Restricted 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.

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

	31-Aug-24			31-Mar-23		
	Unrestricted	Restricted*	Total	Unrestricted	Restricted*	Total
	£	£	£	£	£	£
Trusts and Foundations:	542,720	188,362	731,082	444,250	81,982	526,232
Supporters and Donations	52,624	-	52,624	34,859	-	34,859
	595,344	188,362	783,706	479,109	81,982	561,091

3. Income from charitable activities

	31-Aug-24			31-Mar-23		
	Unrestricted	Restricted*	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Youth Endowment Fund – Evaluation Pilot	-	147,215	147,215	-	125,869	125,869
Youth Endowment Fund – funds repayable	-	(61,109)	(61,109)	-	-	-
Thread CRM – Digital Transformation Project	-	41,383	41,383	-	141,135	141,135
Youth Violence Intervention Programme - London Major Trauma Centres (MTCs)	-	820,904	820,904	-	797,115	797,115
YVIP - IDVA Management fee	-	-	-	-	15,000	15,000
Young Women's Service	-	131,842	131,842	-	-	-
Youth Violence Intervention Programme - Midlands	-	483,820	483,820	-	613,417	613,417
Youth Violence Intervention Programme - London A&Es	-	1,549,820	1,549,820	-	1,051,471	1,051,471
King's Evaluation Project Guys & St Thomas' Charity)	-	-	-	-	30,000	30,000
King's Adolescent Outreach Service	-	24,465	24,465	-	65,467	65,467
King's Young Adult's Liver Service	-	17,647	17,647	-	-	-
QE Hospital Woolwich Diabetes Transition Project	-	48,163	48,163	-	45,103	45,103
Social Switch project	-	363,246	363,246	-	32,852	35,852
Social Prescribing (Hackney and Nottingham)	-	24,882	24,882	-	73,521	73,521
Direct Programme Support	-	87,569	87,569	-	108,130	108,130
	-	3,679,848	3,679,848	-	3,099,079	3,099,079

*Sources of restricted funds are analysed in note 13

4. Other income

	31-Aug-24			31-Mar-23		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Bank interest	9,640	-	9,640	1,385	-	1,385
Other income	408	-	408	355	-	355
Funding returned on cancelled project	(7,174)	-	(7,174)	-	-	-
	2,874	-	2,874	1,740	-	1,740

5. Costs of charitable activities - by project

	31-Aug-24			31-Mar-23		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Thread CRM – digital transformation project	-	41,383	41,383	-	141,135	141,135
Youth Violence Intervention Programme - London MTCs	-	1,001,523	1,001,523	-	814,511	814,511
YVIP - IDVA Management	-	-	-	-	15,000	15,000
Young Women's Service	-	95,325	95,325	-	-	-
Youth Violence Intervention Programme - Midlands	-	691,749	691,749	-	560,024	560,024
Youth Violence Intervention Programme - London A&Es	-	1,542,477	1,542,477	-	996,749	996,740
King's Evaluation Project (Guys & St Thomas' Charity)	-	-	-	-	30,000	30,000
King's Adolescent Outreach Service	-	24,465	24,465	-	65,467	65,467
King's Young Adult's Liver Service	-	18,261	18,261	-	-	-
QE Hospital Woolwich Diabetes Transition Project	-	49,815	49,815	-	45,402	45,402
Social Switch Project	-	287,512	287,512	-	51,306	51,306
Social Prescribing (Hackney & Nottinghamshire)	-	32,783	32,783	-	73,521	73,521
Direct Programme support	-	106,294	106,294	-	156,848	156,848
Other support costs	811,079	279,385	1,083,291	456,777	173,033	629,810
	811,079	4,170,973	4,982,052	456,777	3,122,986	3,579,764

	31-Aug-24			31-Mar-23		
6. Cost of fundraising	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Staffing (salaries, NI, pension)	200,751	11,961	212,712	243,048	52,787	295,835
Other costs	55,575	3,836	59,411	6,654	184	6,838
	256,326	15,797	272,123	249,702	52,971	302,673

7. Net movement in funds	31-Aug-24	31-Mar-23
	£	£
This is stated after charging:		
Staff costs (<i>see note 16</i>)	4,194,416	2,891,969
Operating leases	-	80,338
Depreciation	12,707	7,068
Auditor's remuneration:		
- statutory audit services	15,000	10,560
- other services	-	-

8. Tangible fixed assets

	ICT	Vehicles	Total
Cost	£	£	£
At 1 April 2023	41,146	8,975	50,121
Additions	8,353	-	8,353
At 31 August 2024	49,499	8,975	58,474
Depreciation			
At 1 April 2023	24,854	8,975	33,829
Charge for the year	12,707	-	12,707
At 31 August 2024	37,561	8,975	46,536
Net book value			
At 31 August 2024	11,938	-	11,938
At 31 March 2023	16,292	-	16,292

9. Debtors

	31-Aug-24	31-Mar-23
	£	£
Accounts receivable	84,870	544,421
Prepayments	30,996	86,560
Accrued income	264,623	379,626
Other debtors	14,030	22,446
	394,519	1,033,053

10. Cash & cash equivalents

	31-Aug-24	31-Mar-23
	£	£
Current Accounts	41,798	67,654
Interest-bearing account	567,735	1,040,905
Petty cash floats	36	982
Pleo Account (pre-paid expense cards)	-	3,319
	609,569	1,112,861

11. Creditors

	31-Aug-24	31-Mar-23
	£	£
Accounts payable	20,938	173,502
Accruals	10,424	17,259
Deferred income	88,042	286,811
Allowances	7,333	7,597
	126,737	485,169

Movement on deferred income:

	31-Aug-24	31-Mar-23
	£	£
Deferred income at 1 April 2023	294,145	164,226
Amounts deferred during the year	97,417	286,812
Amounts released to income during the year	(303,520)	(156,893)
Deferred income at 31 August 2024	88,042	294,145

Deferred income comprises grant income received in the period ending 31 August 2024 which is to be applied to fund expenditure in future years.

12. Reconciliation of funds	01-Apr-23	Incoming funds	Outgoing resources	Fund transfers	31-Aug-24
	£	£	£	£	£
a. Unrestricted funds	1,167,247	598,218	(1,067,405)	(90,331)	607,729
	01-Apr-23	Incoming funds	Outgoing resources	Fund transfers	31-Aug-24
	£	£	£	£	£
b. Restricted funds					
Support costs (includes cost of fundraising)	42,261	188,362	(230,623)	-	-
Thread – digital transformation project	-	41,383	(41,383)	-	-
Direct Programme Support	25,000	35,351	(60,351)	-	-
Youth Endowment Fund – pilot	-	147,215	(147,215)	-	-
Youth Violence Intervention Programme:					
London Major Trauma Centres	112,795	820,904	(977,714)	47,393	3,378
London A&Es	38,769	1,540,930	(1,523,001)	30,339	87,037
The Midlands	290,964	483,821	(698,322)	2,432	78,895
Young Women's Service	-	131,842	(95,326)	-	36,516
Other Programmes:					
King's Adolescent Outreach Service	-	24,465	(24,465)	-	-
Woolwich Diabetes Project	-	48,162	(49,815)	1,653	-
King's Young Adult Liver Service	-	17,647	(18,260)	613	-
Social Prescribing (London & Midlands)	-	24,882	(32,783)	7,901	-
Social Switch Project	-	363,246	(287,512)	-	75,734
	509,789	3,868,210	(4,186,770)	90,331	281,560

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-Aug-24	31-Mar-23
	£	£
Central costs		
Westminster Foundation	39,987	51,982
Paul Hamlyn Foundation	60,000	30,000
Fidelity Foundation UK	41,383	141,135
Barrow Cadbury Trust	30,000	-
Garfield Weston Foundation	50,000	-
John Ellerman Foundation	9,375	-
Stone Family Foundation	-	25,000

13. Sources of Restricted Funds**31-Aug-24**
£**31-Mar-23**
£**Youth Violence Intervention Programme (YVIP)****London:**

Mayor's Office for Policing and Crime	-	528,238
London's Violence Reduction Unit (Direct Award)	689,256	45,149
London's Violence Reduction Unit (A&E contract)	1,120,642	714,9523
NHS South East London Integrated Care Board	112,000	-
The Leatherseller's Company	-	15,000
The Draper's Company	15,000	-
The Grocer's Company	5,000	-
Guys' & St Thomas' Charity (King's YVIP Evaluation project)	-	30,000
John Horseman Charitable Trust	5,000	5,000
UCLH Charity	182,750	100,000
London Borough of Camden	48,000	-
St George's Hospital Charity	1,036	1,765
Help for Children	39,000	22,500
Portal Trust	20,000	20,000
The Park Family Foundation	-	14,000
John Lyons' Charity	58,333	50,000
Hiscox Foundation	33,000	33,000
French Huguenot Charitable Trust	3,000	5,000
Allen & Overy Foundation	10,000	-
Assura Community Fund	3,125	25,000
Charles S French Charitable Trust	3,000	2,000
Hackney Parochial Charity	10,000	10,000
Charles Hayward Foundation	25,000	25,000
St James Place Charitable Foundation	20,000	20,000
First Give	-	1,000
Direct grants for young people	600	761
Corporate donations (Met Police B2B Giving Scheme)	54,752	19,845

Young Women's Service *(formerly integrated with the London YVIP)*

London's Violence Reduction Unit (Direct Award)	58,614	49,471
Islamic Relief UK	20,278	-
City Bridge Foundation	22,950	-
The Masonic Charitable Foundation	30,000	30,000

Midlands:

Nottinghamshire Office of the Police & Crime Commissioner	50,000	100,000
Nottingham & Nottinghamshire Integrated Care Board	75,000	100,000
Nottingham Hospitals Charity	-	50,000
Derbyshire Constabulary	-	3,000
Chetwode Foundation	-	10,000
East Midlands Ambulance Service	847	-
West Midlands Police & Crime Commissioner	122,188	85,000
NHS Birmingham & Solihull Integrated Care Board (formerly CCG)	93,773	64,908
Birmingham Women's & Children's Hospital	66,000	61,000
University Hospitals Birmingham NHS Foundation Trust	20,000	-
University Hospitals Birmingham Charity	-	2,769

13. Sources of Restricted Funds

	31-Aug-24	31-Mar-23
	£	£
The Eveson Charitable Trust	45,000	25,000
Access to Work grant (DWP)	1,013	-
The Norton Foundation	-	5,000
YVIP – Evaluation Pilot		
Youth Endowment Fund	147,215	441,644
King's Adolescent Outreach Service		
King's College Hospital	65,467	65,467
Diabetes Transition Project		
Greenwich & Lewisham Foundation NHS Trust	48,613	45,103
Social Switch Project		
Catch 22/ London VRU	363,046	31,352
Greater Manchester Schools Pilot	-	1,500
Hackney Social Prescribing		
WSC Primary Care Network	-	38,911
Nottinghamshire Social Prescribing		
Nottingham and Nottinghamshire Integrated Care Board	24,882	34,609
Kailo Mental Health Research Project		
University College London	-	-
	3,868,209	3,181,061

14. Analysis of net assets by fund

Fund balances represented by:-	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	11,938	-	11,938
Current assets	626,415	377,673	1,004,008
Creditors: amounts falling due within 1 year	(30,624)	(96,113)	(126,737)
	607,729	281,560	889,289

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-Aug-24	31-Mar-23
	£	£
Within one year:	4,800	107,118
Between one and five years	-	80,338

16. Employees

NB: 17 months 12 months

	31-Aug-24	31-Mar-23
	£	£
Wages and salaries	3,658,246	2,527,525
Social Security Costs	406,374	273,651
Workplace pension	115,545	75,879
Working from home allowance	1,849	20,722
Restructuring costs	12,402	1,809
	4,194,416	2,899,586

	31-Aug-24	31-Mar-23
Youth work, management and support services	71	70

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

	31-Aug-24	31-Mar-23
Between £210,001 and £220,000	-	1
Between £90,001 and £100,000	2	-
Between £80,001 and £90,001	5	-
Between £70,001 and £80,000	6	1
Between £60,000 and £70,000	9	2

The unusual increase in the number of staff receiving emoluments of over £60,000 is the result of the period covered by these accounts being extended to 17 months rather than 12.

17. Senior Management Team/Executive

There were several changes to the senior management team and executive throughout the course of the year.

Following the departure of Tracey Burley, interim CEO, at the end of April 2023, Lucie Russell was seconded from her role as CEO at Street Doctors, on a part-time basis, and acted as an interim Transition Director (stepping down as a Redthread trustee at the same time) to assist the incoming CEO, who commenced in the role from June 2023, but then resigned in October 2023. Lucie Russell was then appointed to the role of Redthread CEO on a full-time basis from November 2023.

The total salaries paid to the Executive team during this period came to £384,849. The total salaries paid to the redesignated and expanded Leadership Team put in place during the 17 months being reported on came to £646,142 compared with the total of £567,335 paid to the Senior Management Team in the previous year – due to the extensive restructuring that took place during this period and because the two periods cover 17 months (2023-4) and 12 months (2022-3) respectively the two figures are not directly comparable.

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.

21. Ultimate Parent Company

With effect from 12 August 2024, Catch 22 Charity Limited (a company limited by guarantee, no 065577534 and a registered charity, no 1124127), became the sole member of the charitable company, and is the ultimate parent company.