

# CRANSTOUN

Empowering People, Empowering Change

## Annual Report

2023/24



# Introduction from Chair of Trustees

This past year has been busy for Cranstoun. We've seen growth across all of our areas, in particular with Domestic Abuse Services.

The sector still faces challenges, as an organisation we have used our experience and business acumen to continue to deliver high quality services during this difficult time. The difficult period of high inflation has had an impact on all our services and costs, but we've also been able to continue to innovate and work together more closely so we can continue to improve the lives of people who use our services.

What stands out for me is the visible impact that staff and volunteers have on our services. We are changing people's lives every single day and supporting people to be happier, healthier and safer.

In 2023/24 a lot of work has happened in our innovation space. We've seen new programmes and projects come to fruition which show how Cranstoun thinks as an organisation, demonstrating that we are always looking for new ways to support some of the most vulnerable people in our society.

We have also embarked on major work reviewing our organisational data and its integration into the work we deliver. In the same way that we've innovated within our services, we're now ensuring that we're doing the same with our systems and processes to provide the very best value and quality to those who need our services.

Things continue to look positive for Cranstoun going forwards and the new financial year will bring with it further political change. With a general election happening in 2024/25, we will continue to speak up for the people who use our services and champion social justice.



**Lesleigh Bounds**

**Chair of Trustees**





# Introduction from Chief Executive

In 2023/24, I've never been so proud to be part of an organisation which has stepped up to the plate in the ways we have done to respond to crises we have seen, to protect and safeguard people who use our services.

Over the year we've supported almost 26,000 adults and young people to live healthier, happier and safer lives. We've been able to showcase our work on the global stage, at conferences and events across the world.

It has also been a year when we have launched a number of new services across a number of our service areas, where Domestic Abuse Services have seen particularly high levels of growth. We've also launched our initial pilot of the BuddyUp app. This is designed to support people who use drugs alone, providing them with access to a Cranstoun supporter who can call for emergency help and assistance should they become unresponsive. This was launched shortly before we first saw the emergence of nitazenes in our drug supply.

We've been campaigning this year around nitazenes and overdose, calling for further action which would allow services across the country to respond and safeguard people who use drugs. We've been able to work with other colleagues in the sector on these responses and I'm pleased that Cranstoun has led from the front.

In February 2024, I was pleased to face one of my own fears in joining a brave team of abseilers in Birmingham as part of our fundraising efforts. In the same way we ask people to take the challenging first steps to come into our services, our team did the same thing down the side of the Millennium Point building. As we look into 2024/25 we won't be slowing down with our ambition to provide world-class services and we have plans to continue to share our expertise, but also learn from best practices in our areas from around the globe.

**Charlie Mack**  
Chief Executive



# Trustees Report

The Trustees of Cranstoun present their report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 36 of the attached financial statements and comply with the charitable company's Articles of Association last amended 12 August 2021, applicable laws and the requirements of the Statement of Recommended Practice for Charities (SORP FRS102, second edition).

## Structure, Governance and Management

### Constitution

Cranstoun is a company limited by guarantee and a registered charity.

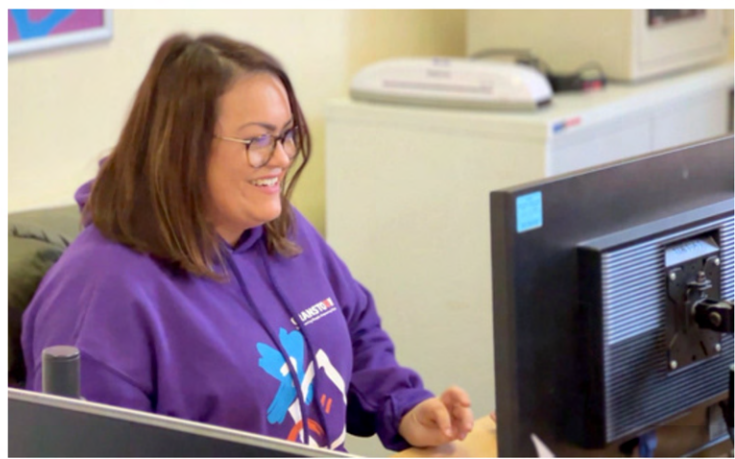
### Organisation

The Board of Trustees is responsible for the governance and strategic direction of the charity. The Strategic Leadership Team manages the charity on a day-to-day basis.

### Group structure and related parties

#### Trustees

A full listing of Cranstoun's Trustees is presented on page 24. All Trustees are members of the charity and agree to contribute £1 in the event of a winding up. All Trustees present themselves for election at the first Trustees' meeting, following their appointment and thereafter one third of the Trustees stand for re-election each year. As a company limited by guarantee, with no share capital, none of the Trustees has any beneficial interest in the charitable company.





During the year committees of Trustees deal with specific areas of the charity's governance as follows:

#### **Nomination & Remuneration Committee (NaRC)**

Lesleigh Bounds (Chair)  
Katharine Patel

#### **Innovation & Development Committee**

David Alcock (Chair)  
Alastair Graham  
Naomi Burke-Shyne

#### **Finance & Audit Committee**

Katharine Patel (Chair)  
David Alcock  
Andy Furlong

#### **Quality, Governance & Safety Committee**

Franklin Apfel (Chair)  
Anne Campbell  
Gail Gilchrist

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

The Group Nomination and Remuneration Committee (NaRC), as a sub-Committee of the full Board of Trustees, oversees the selection and appointment of Trustees as well as attending to any training and development issues related to the Trustee Board.

Together with the utilisation of informal networks, Cranstoun also works with specialist recruitment organisations to strengthen the Board when necessary. Potential Trustees are offered a phased engagement with the organisation. Informal meetings with senior staff and Trustees are undertaken, including the opportunity of site visits to operational services and the central office. If mutually agreed, Trustees are then appointed in accordance with the company's Articles of Association.

Trustees are selected against the requirements of a ratified 'Board Role Profile' and 'Trustee Person Specification', which identify the relevant skill and knowledge sets being sought by the charity. New Trustees' induction includes the provision of a Governance Manual, which details roles and responsibilities of Trustees and presents the strategic and operational plans of the charity.

Further induction incorporates visits to operational sites with additional training or support provided according to identified need.

#### **Statement of Trustees' responsibilities**

The Trustees (who are also directors of Cranstoun for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).



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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it's inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and group and to enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website. Legislation in England and Wales governing the preparation and dissemination of financial statements and other information included in Trustees' reports may differ from legislation in other jurisdictions.

### **Pay policy for senior staff**

The pay of the Leadership Team (key management personnel) is reviewed annually by the NaRC and ratified by the Board of Trustees. This review takes into account general wage inflation, performance against objectives, any pay increases available to staff and benchmarking of the salaries and benefits of senior executives in similar organisations.



# Objectives & Activities

Cranstoun's vision, purpose and mission sit at the heart of our five-year strategy (2021-2026).

The key words of 'safer' and 'healthier' remain core to our purpose and are key to the outcomes that people who use our services desired in consultation with them in producing the new strategy.

Our mission explains how we will achieve our vision and will include areas such as investment in innovation and development, growing our profile in the policy space and working in collaboration with other organisations and partners across the globe.

## Our vision

To be a world-class leader in rebuilding lives.

## Our purpose

To inspire and empower people to live healthier and safer lives.

## Our mission

To identify, develop and deliver innovative, evidence-informed solutions that rebuild lives.



# Objects of Cranstoun

The objects of the charity are:

- The relief and reduction of harm caused by drug and alcohol use to individuals and communities; and
- The relief of poverty, sickness, deprivation and distress among persons who are dependent upon or affected by dependence on drugs, alcohol and other similar substances or compounds of possible or suspected danger to the individual and the community; and
- The relief of poverty, sickness and distress and the provision of financial assistance among those related or dependent upon those persons referred to above; and
- The education and training of individuals and the community at large and the advancement of education and training in the dangers arising from the habitual or isolated or other use of drugs or alcohol together with the publication of material relating to dependence upon drugs or alcohol; and
- To undertake research into the special problems arising from persons with drug or alcohol problems and into methods of alleviating them and to publish the results of such research; and
- The prevention of dependence upon drugs or alcohol, the consultation, treatment and care of those suffering from and the rehabilitation of those relieved from dependence upon drugs or alcohol; and
- The provision of facilities for recreation and other leisure occupation for persons with drug or alcohol problems in the interests of their social welfare within the meaning of the Recreational Charities Act 1857 and as limited in that Act; and
- The advancement of education; and
- The relief of need in individuals arising from their youth, age, gender, infirmity or disability, financial hardship or social circumstances; and
- Such other exclusively charitable activities as the Trustees may from time to time determine.

## Our Values

**Ambitious**

**Collaborative**

**Respectful**

**Compassionate**

**Creative**

# Our Services in 2023/24



In the 2023/24 period, we saw a 10.96% increase overall in the number of unique referrals across all of services for Substance Use, Criminal Justice, Domestic Abuse, Housing and Homelessness and Children & Young People and Employment services.



## Year on Year Increase in Referrals across Services



**7.2%**

Substance Use



**8.6%**

Criminal Justice



**10.3%**

Domestic Abuse



**44.4%**

Housing and  
Homelessness



**34.4%**

Children and Young  
People

## Proportion of People Worked With By Service Area

Substance Use



**25%**

Criminal Justice



**37%**

Domestic Abuse



**23%**

Housing and Homelessness



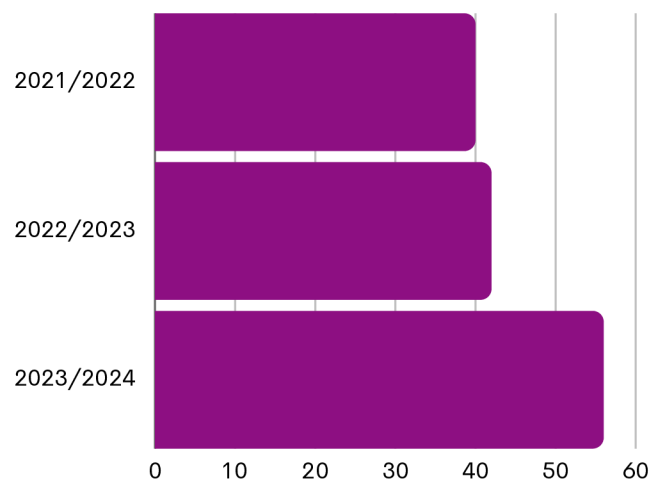
**9%**

Children and Young People



**6%**

## Our Growth In Services



Number of Services being Delivered

**40**

2022

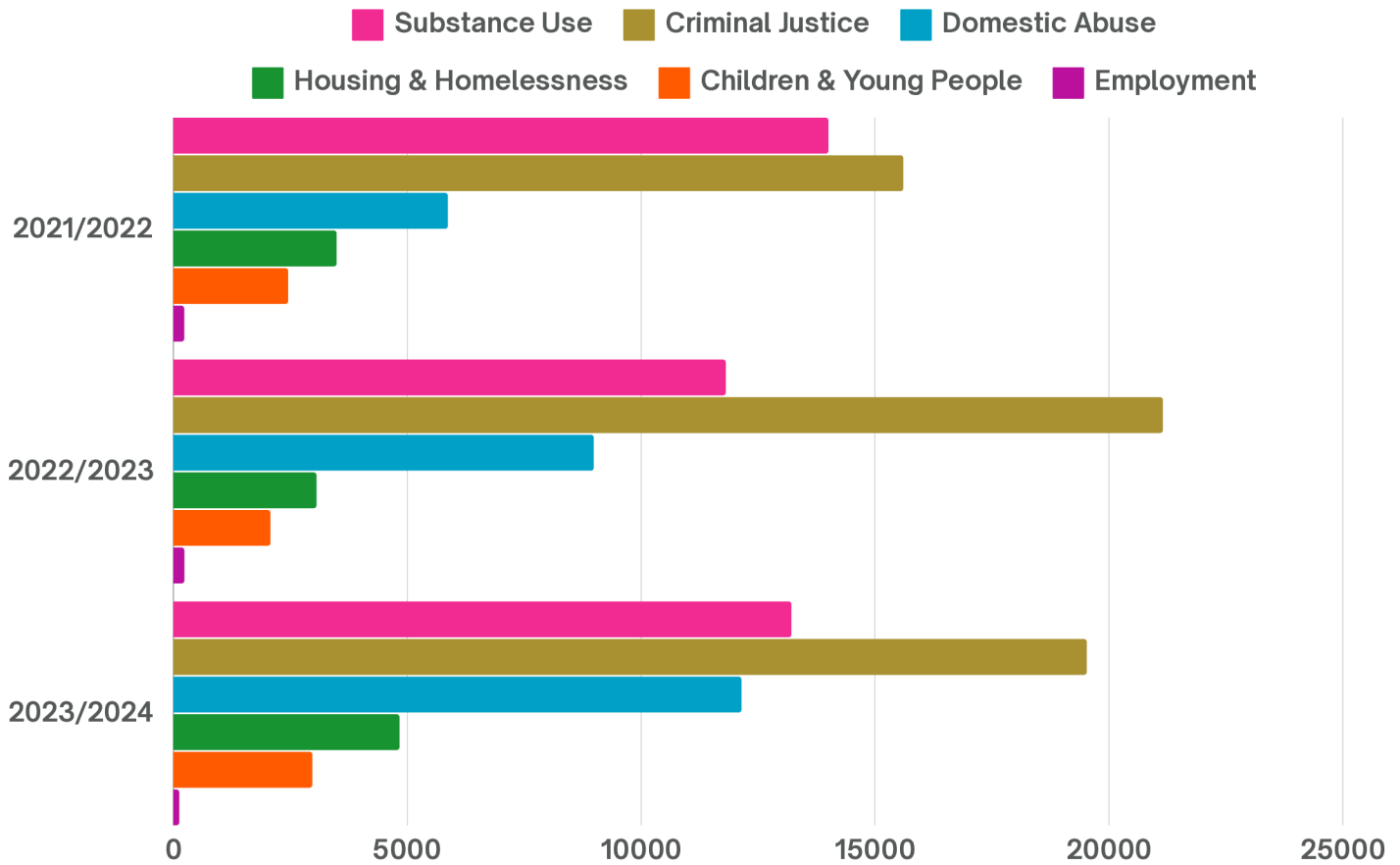
**42**

2023

**56**

2024

# Year on Year Growth of People who use our Services



↑ **10.96%**  
Year on Year Increase

Everyone deserves another chance



# Strategic Report

In 2023/24 Cranstoun has been continuing to implement our One Cranstoun way of working, bringing all of our services together to have a more unified way of working.

During the summer, our sector faced a major crisis, as synthetic opioids called nitazenes were found contaminated in a number of substances, which we now battle with on a daily basis. Synthetic opioids are nothing new to drug services and effectively the mainstream in North America. However, quickly tailoring our services and messages to people who use those services to protect people from the additional risk these substances pose has been a huge task; but our staff and volunteers rose to the heightened challenge. We had a widespread internal messaging campaign, including compulsory sessions for all staff, regardless of their service area – due to the likely crossover between substance use and our other areas of work.

During 2023/24 Cranstoun has been involved in a number of policy and campaign projects as well. In response to the emergence of nitazenes, during the summer we launched a major report which received cross-party support of how we could tackle and get on top of the emerging threat of synthetic opioids. We supported the Not My Child campaign to provide quality information and resources to young people who could be using substances, working with local organisations and education providers in our service areas. We have also supported conversations in Scotland on Overdose Prevention Centres and responded to major reports on substance use and domestic abuse.

## Care Quality & Governance

In our Care, Quality & Governance sphere we achieved Cyber Essentials Certification in June 2023, successful external audits for the continuation of the ISO 9001 Quality Management Systems and ISO 45001 Occupational Health and Safety Management Systems accreditations with no non-conformities. We have also seen positive feedback from front end users of our new DatixCloudIQ risk management system which has now been live for 12 months. We also began work on a new Care Delivery Model in 2023/24 which will be a core part of all of our services once implemented.

## Fundraising

Thank you to all of our donors and fundraisers for their support in 2023/24.

This year, Cranstoun has benefited from the generosity of many individuals and organisations, including our brave team of abseilers, who scaled Millennium Point in Birmingham, raising £10,000 for the charity,

Cranstoun is grateful to the following charitable trusts and foundations for their support in 2023/24:

- Rita's Rescue
- Shanly Foundation
- The 29th May 1961 Charitable Trust
- Wellbeing of Women and Holland & Barrett
- David & Ruth Lewis Family Charitable Trust



### Public Policy & Campaigning

During the year, our policy team have led on a number of pieces of work, including responding to a number of Government and Local Government consultations around substance use, domestic abuse, criminal justice and housing.

We have also published a number of public responses to announcements around legislation and statistics. We have provided a deputation on an Overdose Prevention Centre to Edinburgh City Council and presented to the council on this.

We responded to the Labour Party's National Policy Forum consultation - their process to help shape a future manifesto.

In the summer of 2023, we published our report and recommendations relating to synthetic opioids. This report received cross-party backing from members of all major political parties. We have continued to make representations around this and make calls for the implementation of the recommendations. Cranstoun has also led and been part of a number of other campaigns during the year. This has included supporting the 16 Days of Activism against Gender-based Violence, the Not My Child campaign, International Overdose Awareness Day, International Women's Day and campaigns at the Senedd.





## Adult Substance Use Services

In 2023/24 we operated Adult Substance Use Services in the Royal Borough of Windsor & Maidenhead, Sandwell, London Borough of Sutton, Wokingham and Worcestershire.

As part of our response to the issue of nitazenes and synthetic opioids, we ramped up our naloxone distribution scheme, and this year saw over 2,300 kits distributed across all of our services. 726 individuals accessed our Needle Exchange scheme during the year as we continue to offer services to ensure safer injection practices and to reduce the risk of blood-borne viruses. We offer Needle Exchange directly from our service and in partnership with local pharmacies.

Cranstoun has implemented planned interventions to support individuals facing risk and crisis who require specialist services, utilising both single and multiagency approaches. These interventions encompass comprehensive assessments, a range of psychosocial and pharmacological evidence-based treatments, and highly specialised care, including residential support for the most complex cases. Through these efforts, Cranstoun has significantly improved successful exits from Tier 3 to Tier 4 services across all contracts, achieving an impressive average of 37.9% successful completions.

During the year we led a campaign across Worcestershire to ask people to think about their alcohol use, and consider reaching out to us. This included working with partners including our GPs and pharmacies, it also included a high-profile Out of Home campaign on buses, advertising boards and online.

This year also saw us launch our Dynamic Evolving Model of Outreach (DEMO) in Sandwell. This approach is all about reaching people where they are at, geographically, physically and psychologically. DEMO is rooted in a highly trauma-informed approach with the aim to provide support to people who may have no or little contact with other services. It is primarily for people with street-based lifestyles who may use drugs in public spaces. It has three core aims: Making meaningful connections. Help people to address identified health needs, including wound care and access to other health services should they want help to access them.





## Children & Young Peoples' Services

Cranstoun works with children and young people to provide support and advice to allow them to make healthy choices around their use of alcohol and other drugs. We work with children and young people to empower them, to help them find their strengths as a way to overcome the challenges they may face. Our friendly and experienced team can provide support to young people where they feel most comfortable. This could be at home, school, a café or somewhere else. Within our young people's services, the safety and wellbeing of the people who use our services is paramount. We have a range of safeguarding policies, procedures and training in place across the charity to ensure that any safeguarding concerns are identified and responded to in a timely manner.

We provide services to young people in Buckinghamshire, Dudley, Oxfordshire, London Borough of Sutton, Wokingham and Worcestershire.

In April 2023, we launched our new Here4YOUth Service in Oxfordshire, commissioned by the County Council. Our team offer advice, support and therapeutic interventions for those aged between eight and 18 affected by their own substance use or a family member's.

In 2023-24 there were over 2,200 referrals made into our Young Persons' Services with more than 1,300 people in structured or unstructured treatment throughout the year. The successful completion rate for all of our Young Persons' Services was 63.3%.

Using the Young Persons Outcome Record (YPOR) our services performed above the national average for Life Satisfaction, scoring an average of 7.3 across the board compared to 7.1 nationally.

In August 2023, we worked with partners to launch the Youth Stop in Dudley, a space for young people to access support, guidance and services to assist their wellbeing.

During the year we undertook a number of programmes specifically targeted at reaching children and young people to educate them around some of the harms of substances. This included responses to the Government's plans which were announced around Nitrous Oxide, joining the Not My Child campaign and alerting to vapes contaminated with synthetic cannabinoids.



## Criminal Justice Services

During 2023/24 we operated Criminal Justice Services for police forces in Staffordshire, Warwickshire, West Mercia and West Midlands. We also worked in HMP Birmingham.

We also had the opportunity to present our criminal justice work to senior police leaders in the UK, and in the USA at LEPH2023 in Umeå, Sweden and PTACC2023 in Denver, Colorado.

### DIVERT

We have provided the DIVERT programme in West Mercia and West Midlands for a number of years. In 2023/24 we expanded our DIVERT programme to Staffordshire and Warwickshire Police areas.

During the year we saw over 4,800 referrals to the programme with almost 3,000 people attending and completing the course.

### Arrest Referral Service

There were over 15,000 contacts, assessments and interventions completed by our Arrest Referral Team working in custody blocks across the West Midlands Police area.

The scheme is commissioned by the West Midlands Police and Crime Commissioner, and has been able to support in driving up the number of Drug Rehabilitation Requirements and Alcohol Treatment Requirements.

It has now been confirmed that the service has been commissioned by the Warwickshire Police and Crime Commissioner and will launch in 2024/25.

Cranstoun's Criminal Justice services are designed to free up police resources to focus on apprehending violent offenders and reducing reoffending rates. Our goal is to decrease criminal justice costs and caseloads, helping to address the unprecedented backlog of cases. In the West Midlands Police Force area alone, our Arrest Referral Service has saved taxpayers at least £20 million.

We are now working to expand this successful model to other police force areas across England, aiming to enhance access to mental health support and psychosocial interventions for those in need. In 2023/24, we achieved a 97.9% successful outcome exit rate for all individuals we supported.

### HMP Birmingham

Having commenced our new contract at HMP Birmingham on 1st November 2022, during 2023-24 we fully implemented our service delivery including embedding a new groupwork programme, which is a specifically designed version of our Discovery behavioural change programme, suitable for the prison population.

We also supported the prison's introduction of a new 'drug-free' wing, which included us successfully securing additional funding for two additional Keyworkers for the life of our contract, to be dedicated to working on this new wing, and developing specialist psychosocial treatment and support.



## Domestic Abuse Services

Cranstoun is committed to challenging domestic abuse in all of its forms. We work with victim-survivors and perpetrators of domestic abuse so we can provide safety, support and the opportunity for perpetrators to change their behaviour.

There were almost 7,500 referrals into Cranstoun's Domestic Abuse Services during the year, with 72.8% of people successfully exiting.

We are highly innovative in our approaches to tackling domestic abuse and 2023/24 has seen huge growth across our domestic abuse services. We launched the new Telford and Wrekin Integrated Domestic Abuse Support Service in June 2023, working in partnership with West Mercia Women's Aid.

At Cranstoun, we have seen a year-on-year increase in demand for our domestic abuse services across England. We now operate in numerous regions and counties, including Worcestershire, Herefordshire, Gloucestershire, Greater London, East Sussex, West and South Yorkshire, and the West Midlands. Without timely intervention, domestic abuse can lead to severe physical and emotional harm, long-term trauma for victims and their families, and an increased risk of perpetrators to reoffend. Additionally, failure to address issues can strain community resources, escalate social problems, and perpetuate cycles of abuse.

We have also expanded our work with Drive, the initiative to challenge the behaviour of high risk domestic abuse perpetrators. We expanded our work delivering Drive across Bristol, North Somerset and South Gloucestershire. We also began delivering Drive in Thames Valley in 2023/24.

In the year we operated:

Men and Masculinities, our flagship domestic abuse perpetrator intervention. This service was on offer in: Barking & Dagenham, Brighton & Hove, Ealing, Havering, Herefordshire, Hounslow, South Yorkshire, Sutton, Wakefield, Wokingham and Worcestershire

Drive: Bristol, Herefordshire, North Somerset, Shropshire, South Gloucestershire, Sutton, Telford & Wrekin, Thames Valley and Worcestershire

Domestic Abuse Support Services: Birmingham, Herefordshire Male Victims, Redbridge IDVA, Telford & Wrekin, Westminster Male Victims, Wokingham

Level Up - our programme for young people who are presenting abusive and challenging behaviours: Barking & Dagenham, Brighton & Hove, South Yorkshire and Wokingham

Restart - our intervention that provides support to victims and places responsibility on the perpetrator to relocate and change their behaviour: Barking & Dagenham, Camden, Croydon, Havering, Sutton, and Westminster





## Housing and Homelessness

Cranstoun's work on Housing & Homelessness does not only provide a roof over people's heads. We work to deliver and support people to build lasting skills and strategies to maintain accommodation where needed and ensuring people can live safely.

Our Birmingham housing support services provide community-based floating support to Birmingham residents at risk of homelessness and are available to:

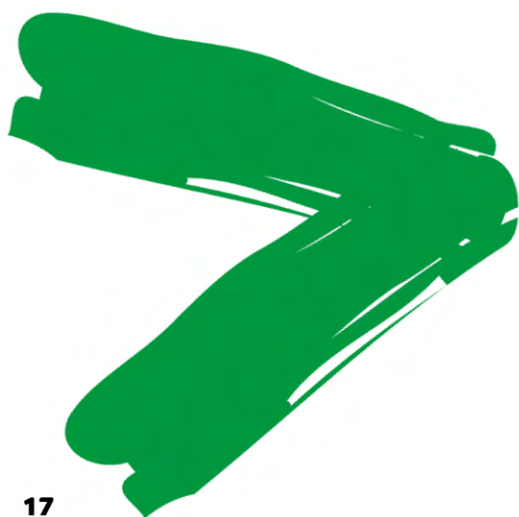
- Households in temporary accommodation
- Single adults and couples without children
- Female and male victims of domestic abuse
- Adults with mental health support needs

These services engage people early, preventing crisis and ensuring safety. We connect people with community services, personalised networks and activities, transitioning people into independence and enabling them to thrive.

Our Birmingham Housing services have achieved a 20% increase in successful exits compared to 2022/23 across our contracts in the West Midlands and Wandsworth. This success reflects our commitment to addressing the complex and interwoven challenges of housing and homelessness. We have supported vulnerable adults facing not only homelessness but also the compounded difficulties of mental health issues and domestic abuse. These individuals often experience heightened vulnerabilities, such as unstable living conditions, limited access to resources, and the risk of re-traumatization, all of which we strive to address through our tailored support services.

We continued to offer supporting housing across Wandsworth during the year to 30 residents. Our approach is person-centered and flexible. Our aim is to support residents in their recovery and help them to develop social and recovery strategies that enable independent living. We do this by collaborating with each resident and working in partnership with drug and alcohol treatment services and other statutory and voluntary services.

During the year we also campaigned in this space, including attending Parliament to meet with politicians alongside our friends at Homeless Link.



## Innovation & Development

At Cranstoun we believe in investing in new ways to support people with innovative approaches and best practice learning from across the globe.

We support and empower our staff and people who use our services to create ideas for ways to improve our offer. This short section highlights some of the ways in which we have been able to achieve this over the past year with some of the projects we have led.

### Project: Cranbean

Led by Cranstoun and in partnership with The Active Wellbeing Society (TAWS) and with additional funding received from Birmingham Children's Trust, Let's Feed Brum and 2nd City, this pilot supplied and distributed hot, healthy meals on wheels daily to two temporary hotels in Birmingham for a three-month period, providing hot and nutritious food for families where this might otherwise not be available to them.

### Impact:

The Cranbean pilot was a huge success, with fantastic uptake and 5,842 meals served to temporary accommodation residents. Following the success of the pilot and in continued partnership with TAWS, the Cranbean project has been awarded £99,086 by Birmingham City Council through the Household Support Fund to extend delivery of the project until October 24, with sustainability options beyond this phase already in discussion. In addition to continuing the project, this funding has allowed us to increase the number of people we are able to support.

Following the initial mobilisation period, the project will increase to 300 meals per day, 5 days per week to three hotels. This is a fantastic example of how the innovation fund, available to all Cranstoun staff, allows us to collaborate, try new ideas and concepts which when proven can be continued and scaled up through other funding sources.





## Project: Dynamic-Evolving Model of Outreach (DEMO)

Bringing outreach support to people with minimal or no barriers to access, and with harm reduction as it's core approach. The population of people who most need support is quite often the least likely to receive it. DEMO is an attempt to address that gap in the Sandwell area. DEMO is led by an experienced nurse and supported by a DEMO Outreach Practitioner. Having a nurse led service brings opportunities such as the ability to prescribe and treat for various conditions common among the service user group.

### Impact:

This service is now fully operational, and engagement with the target group is yielding strong therapeutic relationships and a clear value of the service.

It is now over halfway through the 18 months agreed for proof of concept of the model and fantastic achievements have been made. 143 individuals have been encountered (32 females/111 males). OST prescribing and reinitiation at total of 59 times for 15 individuals. At least 60 have recently slept rough and 62 disclose daily opioid use.

An evaluation process with Queens University Belfast is underway. The intention is to obtain external funding to allow continuation & expansion of this service.



### Other key projects funded during time period:

- Psychologically Informed Environments (PIE) - this pilot's aim was to explore if the benefits and positive outcomes achieved through accessing PIE activity in our Housing First service in Birmingham could be evidenced in Cranstoun's other service domains, including substance use, young people, housing and homelessness and domestic abuse.
- Design & delivery of a Diversion Hub model - developing a platform to support police to use diversion and OOCs more and to understand better the impact, making it easier for officers to identify the right course of action.
- The development and trial of a wearable overdose detection device and alert system in St Paul's Hostel in Worcester.
- Design & delivery of a Youth Hub, opening the doors of a walk-in youth hub targeted at young people within Merry Hill Shopping Centre, providing a dedicated team of workers for 12 months to test and implement innovate ways of engaging with and encouraging children and young people to access and utilise the hub.
- Design & delivery of digital domestic abuse perpetrator intervention - an online booking system for police officers to use to refer domestic abuse perpetrators to our community-based interventions. These interventions can be used by the police as conditions for a community resolution or a conditional caution, providing a tiered evidence-base for police officers to use.

## People

Our people are at the heart of what we do. We recruit people who share our values and develop them to build high performing teams able to make a real difference. Our workforce has grown by 17% since 2022/23; at the end of 2023/24, Cranstoun's employee headcount was 536. Our short-term staff sickness for the year remained low at 2%, with a strong staff retention rate of 83%.

### Accreditations

We are incredibly proud to hold a Gold standard accreditation from Investors in People, recognising the importance that we place in our people. Only 17% of Investors in People accredited organisations achieve Gold. We have retained our Mindful Employer and Disability Confident Scheme accreditations.

Cranstoun is also a real Living Wage Employer, accredited by the Living Wage Foundation.

We have retained our Ban the Box accreditation. This accreditation is supporting the work that we are committed to around breaking the cycle of crime. Ban the Box exists to remove any perceived prejudice early on in a job application process by removing any boxes which require a person to declare convictions on an application form.

### Diversity and inclusion

Diversity and inclusion is at the heart of what we do. All people who use our services, staff, volunteers and mentors are treated fairly and with respect. We are committed to ensuring that our services are accessible, and reach all members of the communities in which we serve. Cranstoun is an inclusive employer. We are committed to maintaining a culture of diversity and equity. We do not tolerate discrimination, harassment or victimisation. Everyone we work with is treated equally and with respect, irrespective of race, colour, religion or belief, national origin, sex, disability, age, marital or civil partnership status, gender identity, or sexual orientation.

### Modern slavery

Cranstoun is committed to meeting the requirements of the Modern Slavery Act. We take a zero tolerance approach to modern slavery of any kind within our recruitment processes, our operations and our supply chain. We take responsibility for being alert to the risks, and taking appropriate action as necessary. We cover modern slavery within our safeguarding training; our staff are expected to report concerns and our managers are expected to act upon all concerns raised.

### Disabled employees

All of Cranstoun's policies and procedures are underpinned by a commitment to equality and diversity. Our recruitment procedures ensure that candidates with disabilities are not disadvantaged in any way; our employment practices support individuals with disabilities and ensure fair access to training, development and promotion opportunities. We are a Disability Confident Committed employer.

### Employee communication and consultation

Cranstoun uses a number of ways to consult and communicate with our staff and volunteers. We use a range of internal communication methods including email, intranet, webinars. We continue to develop our use of video for internal and external communications. We hold a quarterly forum, The Exchange, to inform and consult with staff representatives across the organisation and have hosted monthly seminars on varying topics for our staff. As part of our response to nitazenes, we hosted a number of briefings for all staff to keep them informed and what action they needed to be aware of and how to respond.



# Financial Review

Another hugely successful year for Cranstoun as it continues its growth trajectory. For the year ended 31st March 2024, total group income was £25.9m (2023: £22.1m) and total group expenditure was £25.2m (2023: £22.4m). The group result for the year was an increase in funds of £0.9m (2023: £0.0m).

Growth has been facilitated by the continued trend of increased income being secured both from new services on-boarded and extensions of existing services, as well as an increase in income received from its investment portfolio. Overall year-on-year income increased by 17%, an outstanding result, represented by a number of new services that commenced in the year particularly in Domestic Abuse (+45%), Young People (+63%) and Criminal Justice (+27%). Other service areas that also contributed to an increase in income includes Supplemental Substance Use Treatment and Recovery Grant.

This growth demonstrates Cranstoun's continuing commitment to deliver best-in-class services that inspire and empower people to live happier and safer lives.

During the year, costs increased in line with new services being delivered. Whilst the high inflationary environment has been challenging, particularly impacting areas such as resources, recruitment, clinical delivery and utilities, costs have been managed to ensure that an efficient and high-quality delivery of services is maintained.

Subsidiary results included in the consolidated group accounts for Cranstoun Services Limited was income of £10.7m (2023: £8.6m) and expenditure of £10.6m (2023: £8.6m) giving a surplus of £23k for the year.

The overall financial position at the end of the year remains secure with a net cash position in the charity of £1.3m (2023: £6.8m) and the group of £3.4m (2023: £7.7m). It should be noted that due to the type of investment funds held, the company's bonds investment portfolio totalling £4.8m (2023: £4.6m) has been reclassified as Fixed Asset Investments. As a result of this reclassification, net current assets have reduced to £3.3m (2023: £7.2m), and in the group to £3.3m (2023: £7.2m). Total reserves of the charity for the year ended at £9.4m (2023: £8.5m) and total reserves of the group £9.4m (2023: £8.5m).

## Investment policy

Cranstoun maintains a portfolio of investments of £1.4m (2023: £1.3m), with the objective of achieving capital growth over the long-term with a medium risk profile. The funds are mainly invested in the Schroder Charity Multi-Asset Fund, which aims to at least maintain the real capital value over the long term whilst generating a sustainable and reliable distribution of 4% per annum. Bonds, cash and absolute return funds are held alongside the Schroder Charity Multi-Asset Fund to diversify the portfolio and balance the risk.

For the year ended 2024, the total return of the Charity's Multi-Asset Fund portfolio was +9.4%, (2023: -3.6%).



## Reserves Policy

The Cranstoun Group maintains reserves to fund working capital, provide for future capital expenditure, maintain services in the event of significant reductions in income and provide a contingency for any unexpected expenditure or opportunities for development.

The Cranstoun Group's policy is to hold a designated reserve representing the net book value of tangible fixed assets as these are not freely available to support the group's business. The level of this reserve changes as assets are acquired, disposed, or depreciated in line with the accounting policies.

Cranstoun Group also holds an innovation fund within its designated reserves which is used for strategic investment, innovation, and development opportunities.

As at 31st March 2024, Cranstoun's total unrestricted funds were £9.4m, and unrestricted funds not committed or invested in tangible fixed assets, the innovation fund, otherwise designated (the 'general' or 'free' reserves) were £5.9m. With reference to the underlying operating and financial position of the charity and the risks to which it is exposed, the Board of Trustees has agreed a policy on the minimum level of reserves needed to operate, taking into account working capital contingencies to meet ongoing liabilities. The level of general reserves are reviewed annually to ensure that they are in line with the reserves policy and are at an acceptable level to mitigate against future financial risks that Cranstoun may face. At year end the general reserves (£5.9m) are above the minimum range (£4.5m) but lower than the higher range. (£7.4m).

It is not intended that Cranstoun Services Limited will hold reserves, and any surpluses generated will be transferred back to Cranstoun through Gift Aid.

## Risk Management

The Trustees maintain a register of the risks to which the group is exposed. The risk register is reviewed twice yearly by each standing committee of the Board and annually by the Board of Trustees. Each committee reviews the risks that are relevant to them. The register identifies risks, assesses their severity in terms of impact and likelihood of occurrence and then determines plans to avoid, reduce, share, transfer or mitigate these risks. As a result of this process, the Trustees are satisfied that the risks to which the charity is exposed have been identified and systems have been established and implemented to mitigate exposure to those risks.

The principal risks identified and the plans and strategies for managing these risks are as follows:

- The possible loss of contract income due to the highly competitive operational environment. This risk is mitigated by continual monitoring of service quality and performance, ongoing engagement with development activities, maintaining a competitive cost base and, where appropriate, the use of partnership arrangements to enable the charity to bid for larger contracts.
- The possibility of reduced or changed funding as a result of changes in Government policy. This risk is managed by monitoring government strategy and any legal and regulatory changes, membership of service provider bodies representing the sector and engaging with policy makers and commissioners.
- The impact of rising inflation and seeing significant increases in the cost of utilities, services and consumables together with the requirement to invest in employees to maintain retention rates. These risks are mitigated by engaging in annual negotiations with our major suppliers to ensure value for money, regularly reviewing our energy contracts and rewarding our staff with competitive salaries.

## Trustee's Indemnity Insurance

Cranstoun provides insurance to its Trustees against liability in respect of action brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity insurance remains in force at the date of approving the Trustees' annual report.

## Future Plans

We continue to make good progress through our five-year strategy and during the year we have made considerable progress against our goals around increasing our voice, through media and public policy work and developing our systems and increasing the number of people we reach.

We have plans to launch a new Arrest Referral Service in 2024/25 which will grow our work in the criminal justice space. We also plan to launch a number of new domestic abuse services. Cranstoun will continue to develop our housing services, with plans to operate a new supporting housing scheme during the year.

We will continue to run campaigns to promote important health messages, with plans in place to run specific campaigns in Worcestershire around drugs and alcohol. We will also be running a campaign during the year to promote BuddyUp, focusing on the threat that nitazenes continue to pose.

Our policy team will be planning our engagement around the general election planned for 2024/25, through publishing a manifesto from Cranstoun and engaging with new Members of Parliament to deliver on these aims.

We will continue to engage on work internationally, attending and presenting our work to conferences across the globe, with plans underway to present a number of pieces on our substance use work to European conferences in the winter.

We will also host our second Social Justice Conference in September 2024, bringing together speakers and attendees from across the UK and the world to share best practice and learn. The theme is "Innovation and Collaboration".

Cranstoun also has plans to launch a new 'Youth Hub' during the year, expanding on the work we have done previously with the Youth Stop in Dudley. The new centre, named Routes, will be a safe space for young people to attend, receive advice and be themselves.

In approving this Trustees' Report, the Board are also approving the Strategic Report included herein in their capacity as company directors.

ON BEHALF OF THE BOARD



Lesleigh Bounds, Chair



Katharine Patel, Treasurer



06 November 2024



# Administrative Details

Company number: 3306337

Charity number: 1061582

Principal/Registered office: Thames Mews, Portsmouth Road, Esher, Surrey KT10 9AD

Telephone: 020 8335 1830

## Board of Trustees:

Lesleigh Bounds, Chair

Katharine Patel, Treasurer

David Alcock

Franklin Apfel

Hugh Simpson (resigned May 2023)

Andrew Furlong

Naomi Burke-Shyne

Alastair Graham

James Nicholls (resigned September 2023)

Rebecca Kemp (resigned February 2024)

Gail Gilchrist

## Strategic Leadership Team:

Charlie Mack, CEO

Kim Coles, Director of People & Culture

Rajiv Padhiar, Commercial & Finance Director

Megan Jones, Director of New Business & Services

Jason Warriner, Director of Care, Quality & Governance

## Bankers:

National Westminster Bank PO Box 2BA

69 Baker Street London W1A 2BA

## Independent Auditor:

Moore Kingston Smith, 9 Appold St, London, EC2A 2AP

## Investment Managers:

Cazenove Capital Management, 12 Moorgate

London, EC2R 6DA

## Solicitors:

Blake Morgan LLP, New Kings Court Chandler's Ford

Eastleigh SO53 3LG

Edell Jones & Lessers, First Floor, 54-56 Barking Road

East Ham, London, E6 3BP

# Independent Auditor's Report

## Opinion

We have audited the financial statements of Cranstoun (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

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

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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:

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

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 5 and 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

#### **Our approach was as follows:**

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

#### Use of our report

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

*Moore Kingston Smith LLP.*

20 November 2024

**James Saunders (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

**9 Appold Street**  
**London, EC2A 2AP**

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 March 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total Funds £'000
<b>Income from:</b>							
Donations and legacies		42	-	42	2	-	2
<b>Charitable activities:</b>							
Residential services		708	507	1,215	563	277	840
Community services		22,096	2,373	24,469	19,360	1,877	21,237
	2	22,804	2,880	25,684	19,923	2,154	22,077
Investments		250	-	250	80	-	80
<b>Total income</b>		<b>23,096</b>	<b>2,880</b>	<b>25,976</b>	<b>20,005</b>	<b>2,154</b>	<b>22,159</b>
<b>Expenditure on:</b>							
<b>Charitable activities:</b>							
Residential services		663	507	1,170	560	277	837
Community services		21,709	2,373	24,082	19,678	1,877	21,555
<b>Total Expenditure</b>	3	<b>22,372</b>	<b>2,880</b>	<b>25,252</b>	<b>20,238</b>	<b>2,154</b>	<b>22,392</b>
Net gains/(loss on investments)		122	-	122	(48)	-	(48)
<b>Net Income/(expenditure) and net movement in funds</b>		<b>846</b>	<b>-</b>	<b>846</b>	<b>(281)</b>	<b>-</b>	<b>(281)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		8,548	-	8,548	8,829	-	8,829
<b>Total funds carried forward</b>	15	<b>9,394</b>	<b>-</b>	<b>9,394</b>	<b>8,548</b>	<b>-</b>	<b>8,548</b>

The organisation has no recognised gains or losses other than those dealt with above.

All the group's activities derived from continuing operations during the above two financial periods.



Group and Parent Charitable Company Balance Sheet as at 31 March 2024. Company No: 3306337

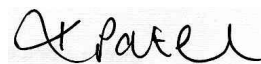
		Group	Group	Charity	Charity
		2024	2023	2024	2023
	Note	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible fixed assets	9	246	256	246	256
Investments	11	6,194	1,284	6,194	1,284
		<u>6,440</u>	<u>1,540</u>	<u>6,440</u>	<u>1,540</u>
<b>Current assets</b>					
Debtors	12	4,394	3,416	5,382	3,734
Cash at bank and in hand		3,389	7,702	1,337	6,764
		<u>7,783</u>	<u>11,118</u>	<u>6,719</u>	<u>10,498</u>
<b>Current liabilities</b>					
Creditors falling due within one year	13	(4,459)	(3,853)	(3,434)	(3,249)
<b>Net current assets</b>		<u>3,324</u>	<u>7,265</u>	<u>3,285</u>	<u>7,249</u>
<b>Total assets less current liabilities</b>		<u>9,764</u>	<u>8,805</u>	<u>9,725</u>	<u>8,789</u>
Creditors falling due after more than one year	13	(370)	(257)	(370)	(257)
<b>Net assets</b>		<u><u>9,394</u></u>	<u><u>8,548</u></u>	<u><u>9,355</u></u>	<u><u>8,532</u></u>
<b>Represented by:</b>					
<b>Unrestricted funds</b>					
Designated funds	15	3,510	2,929	3,510	2,929
General funds	15	5,884	5,619	5,845	5,603
<b>Total unrestricted funds</b>		<u>9,394</u>	<u>8,548</u>	<u>9,355</u>	<u>8,532</u>
<b>Restricted funds</b>	15	-	-	-	-
<b>Total funds</b>		<u><u>9,394</u></u>	<u><u>8,548</u></u>	<u><u>9,355</u></u>	<u><u>8,532</u></u>

As permitted by section 408 of the Companies Act 2006, the charity has taken exemption from preparing a separate Statement of Financial Activities (incorporating an Income and Expenditure Account). The charity's result for the year was a surplus of £823k (2023: £288k deficit).

The financial statements were approved and authorised for issue by the Board of Trustees on 06 November 2024 and signed on their behalf by:



Lesleigh Bounds  
Chair



Katharine Patel  
Treasurer

Consolidated and Parent Charitable Company Statement of Cash Flows for the year ended 31 March 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Net cash provided by/(used in) operating activities	21	258	(12)	(839)	261
Cash flows from investing activities					
Investment income and interest receivable		250	80	233	80
Purchase of property, plant and equipment		(33)	(93)	(33)	(93)
Purchase of fixed assets investments		(4,788)	-	(4,788)	-
Net cash provided by/(used in) by investing activities		<u>(4,571)</u>	<u>(13)</u>	<u>(4,588)</u>	<u>(13)</u>
Change in cash and cash equivalents in the year		(4,313)	(25)	(5,427)	248
Cash and cash equivalents at the beginning of the year		<u>7,702</u>	<u>7,727</u>	<u>6,764</u>	<u>6,516</u>
Cash and cash equivalents at the end of the year		<u><u>3,389</u></u>	<u><u>7,702</u></u>	<u><u>1,337</u></u>	<u><u>6,764</u></u>

No analysis of changes in net debt is presented as the charity has no borrowings.

**Notes to the Financial Statements  
for the Year Ended 31 March 2024**

**1. ACCOUNTING POLICIES**

**a) General Information**

Cranstoun is a charitable company limited by guarantee incorporated in England and Wales (Company no. 3306337) and a registered charity (charity registration no.1061582). The charity's registered office address is Thames Mews, Portsmouth Road, Esher, Surrey KT10 9AD.

**b) Accounting Convention and Basis of Preparation**

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments to market value. They are prepared in accordance with Statement of Recommended Practice for Charities (SORP FRS 102, Second edition), applicable accounting standards (FRS 102) and the Companies Act 2006. Cranstoun is a public benefit entity as set out in section 3 of FRS 102.

**c) Basis of Consolidation**

The consolidated financial statements present the results of the charity and its subsidiary as if they form a single entity (the "Group"). Intercompany transactions between group companies are therefore eliminated in full. The results of acquired operations are included in the consolidated financial statements from the date that control passed to the charity.

**d) Going concern**

The strong performance of the Group for the year ended 31 March 2024 has provided Cranstoun with a strong foundation for the forthcoming year. Cashflows have been prepared and a range of scenarios have been considered. The Trustees are satisfied that, due to the level of cash and reserves held, even under the worst-case scenario considered there are sufficient funds to continue operating and meet liabilities as they fall due for the foreseeable future. As a result the Trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

**e) Income**

Income is recognised in the period in which the charitable company has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably. Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are included as income as the charity earns the right to the consideration by its delivery of those services.

**f) Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

The cost of charitable activities comprises 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.

Support costs relate to the cost of central functions and include governance costs. These are allocated to the charitable expenditure categories on a per capita basis which is designed to reflect the use of the resource.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**g) Tangible Fixed Assets And Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Assets costing more than £5,000 and leasehold improvements costing more than £20,000 are capitalised. The cost of tangible fixed assets is written off by equal annual instalments over their useful lives as follows:

Freehold Property	100 years
Leasehold improvements	The shorter of the remaining length of the lease or the remaining duration of the associated service contract.
Fixtures & fittings, equipment & motor vehicles	4 years
Refurbishment	10 years

The value of property is regularly reviewed in order to identify any permanent diminution in value which, if applicable, would be charged to the SOFA.

**h) Fixed Asset Investments**

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation and/or sale is taken to the SOFA.

**i) Financial instruments - assets and liabilities**

Debtors

Debtors are recognised at the settlement amount due.

Cash and cash equivalents

Cash at bank and cash in hand includes cash held in short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**j) Fund Accounting**

Unrestricted general funds are held by the charity to be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.



Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or contracting party or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is given in the notes to the accounts.

**k) Leasing And Hire Purchase**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the SOFA over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight line basis over the lease term.

**l) Employee benefits**

The charity provides a range of benefits to employees including paid holiday arrangements and retirement benefits through a defined contribution pension scheme.

**Short-term benefits**

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

**Termination benefits**

Termination payments are payable when employment is terminated by the group before the normal retirement date or end of employment contract. Termination costs are recognised at the earlier of when the group can no longer withdraw the offer of the benefits or when the group recognises any related restructuring costs.

**Defined contribution pension schemes**

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charged represents the contributions payable under the scheme by the group to the fund. The group has no liability under the scheme other than for the payment of those contributions.

**Multi-employer defined benefit pension schemes**

Cranstoun has direction body status, enabling former NHS employees to remain members of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme. The cost to the group of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

**J) CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Cranstoun's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key areas subject to judgement and estimation are as follows:

### Provisions for dilapidation works to leased properties

Management review, and provide for, potential dilapidations in respect of properties where the lease includes an obligation to restore the premises to the condition they were in when the lease was entered into. Management review such provisions on an annual basis and update them in accordance with historical experience and events that might materially impact on the potential costs to the charity. At the balance sheet date the total amount included in creditors was £369,879 (2023: £256,811).

## 2. INCOME FROM CHARITABLE ACTIVITIES

	General Funds £'000	Restricted Funds £'000	Total 2024 £'000
<b>Residential services</b>			
Board and lodging charges	708	507	1,215
Other income	-	-	-
	<u>708</u>	<u>507</u>	<u>1,215</u>
<b>Community services</b>			
Local authorities	18,229	-	18,229
Charitable Trusts	-	2,373	2,373
Other income	3,867	-	3,867
	<u>22,096</u>	<u>2,373</u>	<u>24,469</u>
	<u><u>22,804</u></u>	<u><u>2,880</u></u>	<u><u>25,684</u></u>

Other income under Community services relates to contracts with police crime commissioners and miscellaneous income.

## INCOME FROM CHARITABLE ACTIVITIES PREVIOUS YEAR

	General Funds £'000	Restricted Funds £'000	Total 2023 £'000
<b>Residential services</b>			
Board and lodging charges	563	277	840
Other income	-	-	-
	<u>563</u>	<u>277</u>	<u>840</u>
<b>Community services</b>			
Local authorities	16,140	-	16,140
Charitable Trusts	-	1,877	1,877
Other income	3,220	-	3,220
	<u>19,360</u>	<u>1,877</u>	<u>21,237</u>
	<u><b>19,923</b></u>	<u><b>2,154</b></u>	<u><b>22,077</b></u>

Other income under Community services relates to contracts with police crime commissioners and miscellaneous income

### 3. TOTAL EXPENDITURE

	Direct Staff Related Costs £'000	Other Direct Costs £'000	Support Costs (Note 4) £'000	Total 2024 £'000
<b>Cost of charitable activities</b>				
Residential services	625	490	55	1,170
Community services	15,358	6,046	2,678	24,082
	<u>15,983</u>	<u>6,536</u>	<u>2,733</u>	<u>25,252</u>

## TOTAL EXPENDITURE PREVIOUS YEAR

	Direct Staff Related Costs £'000	Other Direct Costs £'000	Support Costs (Note 4) £'000	Total 2023 £'000
<b>Cost of charitable activities</b>				
Residential services	366	422	49	837
Community services	13,392	5,406	2,757	21,555
	<u>13,758</u>	<u>5,828</u>	<u>2,806</u>	<u>22,392</u>

## 4. ANALYSIS OF SUPPORT COSTS

	Finance £'000	Central Office Costs £'000	HR Quality & Training £'000	Governance Costs £'000	Total 2024 £'000
<b>Cost of charitable activities</b>					
Residential services	8	34	11	2	55
Community services	405	1,641	547	85	2,678
	<u>413</u>	<u>1,675</u>	<u>558</u>	<u>87</u>	<u>2,733</u>

## ANALYSIS OF SUPPORT COSTS PREVIOUS YEAR

	Finance £'000	Central Office Costs £'000	HR Quality & Training £'000	Governance Costs £'000	Total 2023 £'000
<b>Cost of charitable activities</b>					
Residential services	8	28	12	1	49
Community services	437	1,569	683	68	2,757
	<u>445</u>	<u>1,597</u>	<u>695</u>	<u>69</u>	<u>2,806</u>



## 5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year for acting as a trustee.

During the year £3,674 (2023: £1,172) was reimbursed to five (2023: two) Trustees for travel expenses incurred in the course of charity business.

## 6. NET INCOME FOR THE YEAR

This is stated after charging:

	2024	2023
	£'000	£'000
Auditor's remuneration	37	30
Depreciation	43	51
Operating lease rentals	503	508

## 7. EMPLOYEES

	2024	2023
	£'000	£'000
Wages and salaries	14,563	12,269
Social security	1,375	1,180
Pension costs	657	540
Redundancy and termination payments	15	83
	16,610	14,072

The monthly average head count was 502 staff (2023: 438 staff).

The numbers of staff earning in excess of £60,000 excluding employer pension contributions but including benefits in kind are as follows:

	2024	2023
	Number	Number
£60,000 to £70,000	-	2
£70,000 to £80,000	3	1
£80,000 to £90,000	3	1
£100,000 to £110,000	1	-
£120,000 to £130,000	-	1
£140,000 to £150,000	1	-

The total employee benefits of the senior management team (key management personnel) were £963,832 (2023: £884,139).

## 8. TAXATION

The Charity's activities are exempt from corporation tax.

## 9. TANGIBLE FIXED ASSETS

### Group

	Furniture & Equipment £'000	Motor Vehicle £'000	Freehold Property £'000	Leasehold Improvements £'000	Total £'000
<b>Cost</b>					
At 1 April 2023	378	15	165	46	604
Additions	-	33	-	-	33
At 31 March 2024	378	48	165	46	637
<b>Accumulated depreciation</b>					
At 1 April 2023	278	4	20	46	348
Charge for the year	35	6	2	-	43
At 31 March 2024	313	10	22	46	391
Net book value at 31 March 2024	65	38	143	-	246
Net book value at 1 April 2023	100	11	145	-	256

### Charity

	Furniture & Equipment £'000	Motor Vehicle £'000	Freehold Property £'000	Leasehold Improvements £'000	Total £'000
<b>Cost</b>					
At 1 April 2023	378	15	165	46	604
Additions	-	33	-	-	33
At 31 March 2024	378	48	165	46	637
<b>Accumulated depreciation</b>					
At 1 April 2023	278	4	20	46	348
Charge for the year	35	6	2	-	43
At 31 March 2024	313	10	22	46	391
Net book value at 31 March 2024	65	38	143	-	246
Net book value at 1 April 2023	100	11	145	-	256

## 10. SUBSIDIARY UNDERTAKINGS

Cranstoun Services Limited (company no 12313944) which is incorporated in England and Wales is a trading subsidiary in which Cranstoun holds 100% of the ordinary share capital. Cranstoun Services was incorporated on the 13th November 2019 and commenced trading on 1 January 2020. A summary of the results for the 12 months ended 31 March 2024 and a summary balance sheet at the end of the year are shown below:

### Summary of results

	2024	2023
	£'000	£'000
Total Income	10,660	8,594
Total Expenditure	(10,637)	(8,587)
Net expenditure and movement in funds	<u>23</u>	<u>7</u>

### Summary balance sheet

	2024	2023
	£'000	£'000
Debtors	4,103	2,491
Creditors	(4,066)	(2,477)
Net assets & funds	<u>37</u>	<u>14</u>

## 11. GROUP AND CHARITY INVESTMENTS

	2024	2023
	£'000	£'000
<b>Investment portfolio</b>		
Market value at 1 April 2023	1,284	1,332
Net gain/ (loss) on revaluation	122	(48)
Additions	4,788	-
Market value at 31 March 2024	<u>6,194</u>	<u>1,284</u>
 Historical cost at 31 March 2023	 <u>741</u>	 <u>741</u>

Note: Additions relate to the cash portfolio which has been reclassified as investments.



**12. DEBTORS**

	Restated			
	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	2,290	2,098	926	985
Prepayments and accrued income	1,980	1,216	1,705	1,356
Amounts owed by subsidiary undertakings	-	-	2,627	1,291
Other debtors	124	102	124	102
	<u>4,394</u>	<u>3,416</u>	<u>5,382</u>	<u>3,734</u>

Prepayments have been restated in the prior year to reflect the elimination of intergroup balances.

**13. CREDITORS**

	Restated			
	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Amounts Falling Due Within One Year</b>				
Trade creditors	381	584	381	584
Accruals	1,728	1,029	1,400	917
Deferred income	968	1,274	968	1,274
Social Security & other taxes	358	308	358	308
Pension contributions	105	105	105	105
Other creditors	919	553	222	61
	<u>4,459</u>	<u>3,853</u>	<u>3,434</u>	<u>3,249</u>
<b>Amounts Falling Due After More Than One Year</b>				
Accruals	<u>370</u>	<u>257</u>	<u>370</u>	<u>257</u>

Deferred Income represents funding received in advance of the provision of the related service. All deferred income held at the end of the previous financial year has been recognised in the current financial year.

Accruals include a dilapidation provision of £370k in respect of leased buildings.

Deferred Income has been restated in the prior year to reflect the elimination of intergroup balances.

**14. PENSION COSTS**

The charity and group operates a defined contribution pension schemes. The assets of the schemes are held separately from those of the charity in an independently administered fund. The pension costs charged in the year were £657,879 (2023: £593,217).

## 15. STATEMENT OF FUNDS

### Group

	Balance at 01-Apr-23 £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-24 £'000
<b>Restricted Funds</b>						
Residential services	-	507	(507)	-	-	-
Community services	-	2,373	(2,373)	-	-	-
<b>Total Restricted Funds</b>	-	2,880	(2,880)	-	-	-
<b>Unrestricted Funds</b>						
<i><b>Designated Funds</b></i>						
Innovation fund	2,673	-	-	-	591	3,264
Fixed Asset Fund	256	-	-	-	(10)	246
<i><b>Total Designated Funds</b></i>	2,929	-	-	-	581	3,510
<i><b>General Funds</b></i>	5,619	23,096	(22,372)	122	(581)	5,884
<b>Total Unrestricted Funds</b>	8,548	23,096	(22,372)	122	-	9,394
<b>Total Funds</b>	8,548	25,976	(25,252)	122	-	9,394

### Charity

	Balance at 01-Apr-23 £'000	Income £'000	Expenditure £'000	Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-24 £'000
<b>Restricted Funds</b>						
Residential services	-	507	(507)	-	-	-
Community services	-	2,372	(2,372)	-	-	-
<b>Total Restricted Funds</b>	-	2,879	(2,879)	-	-	-
<b>Unrestricted Funds</b>						
<i><b>Designated Funds</b></i>						
Innovation fund	2,673	-	-	-	591	3,264
Fixed Asset Fund	256	-	-	-	(10)	246
<i><b>Total Designated Funds</b></i>	2,929	-	-	-	581	3,510
<i><b>General Funds</b></i>	5,603	23,052	(22,351)	122	(581)	5,845
<b>Total Unrestricted Funds</b>	8,532	23,052	(22,351)	122	-	9,355
<b>Total Funds</b>	8,532	25,931	(25,230)	122	-	9,355

**Restricted funds are for the following purposes:**

Residential services: This represents partial funding for 5 residential homes in London which operate programmes to rehabilitate ex-drug users so that they can lead a drug-free life.

Community services: This represents grants to support various community initiatives.

**Designated funds are for the following purposes:**

Innovation Fund: This is used to fund strategic investment, innovation and development opportunities.

Fixed Asset Fund: This fund represents the net book value of freehold properties and other fixed assets.



# STATEMENT OF FUNDS PREVIOUS YEAR

## Group

	Balance at 01-Apr-22 £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-23 £'000
<b>Restricted Funds</b>						
Residential services	-	277	(277)	-	-	-
Community services	-	1,877	(1,877)	-	-	-
<b>Total Restricted Funds</b>	-	2,154	(2,154)	-	-	-
<b>Unrestricted Funds</b>						
<i><b>Designated Funds</b></i>						
Innovation Fund	2,959				(286)	2,673
Fixed Asset Fund	214	-	-	-	42	256
<b>Total Designated Funds</b>	3,173	-	-	-	(244)	2,929
<i><b>General Funds</b></i>	5,656	20,005	(20,238)	(48)	244	5,619
<b>Total Unrestricted Funds</b>	8,829	20,005	(20,238)	(48)	-	8,548
<b>Total Funds</b>	8,829	22,159	(22,392)	(48)	-	8,548

## Charity

	Balance at 01-Apr-22 £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfers £'000	Balance at 31-Mar-23 £'000
<b>Restricted Funds</b>						
Residential services	-	277	(277)	-	-	-
Community services	-	1,877	(1,877)	-	-	-
<b>Total Restricted Funds</b>	-	2,154	(2,154)	-	-	-
<b>Unrestricted Funds</b>						
<i><b>Designated Funds</b></i>						
Innovation Fund	2,959				(286)	2,673
Fixed Asset Fund	214	-	-	-	42	256
<b>Total Designated Funds</b>	3,173	-	-	-	(244)	2,929
<i><b>General Funds</b></i>	5,647	19,988	(20,228)	(48)	244	5,603
<b>Total Unrestricted Funds</b>	8,820	19,988	(20,228)	(48)	-	8,532
<b>Total Funds</b>	8,820	22,142	(22,382)	(48)	-	8,532

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group

	Tangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Liabilities £'000	Total £'000
<b>Designated funds</b>					
Innovation fund			2,959		2,959
Fixed Asset Fund	246	-	-	-	246
<b>General funds</b>	-	6,194	4,824	(4,829)	6,189
<b>Total Funds</b>	<u>246</u>	<u>6,194</u>	<u>7,783</u>	<u>(4,829)</u>	<u>9,394</u>

Charity

	Tangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Liabilities £'000	Total £'000
<b>Designated funds</b>					
Innovation fund			2,959		2,959
Fixed Asset Fund	246	-	-	-	246
<b>General funds</b>	-	6,194	3,760	(3,804)	6,150
<b>Total Funds</b>	<u>246</u>	<u>6,194</u>	<u>6,719</u>	<u>(3,804)</u>	<u>9,355</u>

## ANALYSIS OF NET ASSETS BETWEEN FUNDS PREVIOUS YEAR

### Group

	Tangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Liabilities £'000	Total £'000
<b>Designated funds</b>					
Innovation fund			2,959		2,959
Fixed Asset Fund	256	-	-	-	256
<b>General funds</b>	-	1,284	8,740	(4,691)	5,333
<b>Total Funds</b>	<u>256</u>	<u>1,284</u>	<u>11,699</u>	<u>(4,691)</u>	<u>8,548</u>

### Charity

	Tangible Fixed Assets £'000	Investments £'000	Current Assets £'000	Liabilities £'000	Total £'000
<b>Designated funds</b>					
Innovation fund			2,959		2,959
Fixed Asset Fund	256	-	-	-	256
<b>General funds</b>	-	1,284	7,539	(3,506)	5,317
<b>Total Funds</b>	<u>256</u>	<u>1,284</u>	<u>10,498</u>	<u>(3,506)</u>	<u>8,532</u>

## 17. STATUS

The company is limited by guarantee with no share capital and is a registered charity. In the event of the company being wound up, the Trustees' liability is limited to £1 each.

## 18. LEASE COMMITMENTS

At 31 March 2024, the group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2024 Land and Buildings £'000	2024 other £'000	2023 Land and Buildings £'000	2023 Other £'000
<b>Payments due in:</b>				
Not later than 1 year	417	21	423	20
Later than 1 year and not later than 5 years	475	32	760	28
More than 5 years	-	-	-	-
	<u>892</u>	<u>53</u>	<u>1,183</u>	<u>48</u>

## 19. CAPITAL COMMITMENTS

There are no capital commitments.

## 20. CONTINGENT LIABILITIES

Cranstoun could potentially be exposed to a possible litigation claim relating to an incident that occurred in it's Wandsworth Supported Housing Service. The outcome is uncertain and the likelihood of a material adverse effect on the financial position is remote. As such no provision has been made in the financial statements. However, in the event of an unfavourable outcome, the company maybe liable for an estimated amount of £100k.

## 21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Net Income for the year	846	(281)	723	(288)
Depreciation charges	43	51	43	51
(Gain)/Loss on investments	(122)	48	(122)	48
Dividends, interest and rents from investments	(250)	(80)	(233)	(80)
Increase (decrease) in debtors	(978)	1,101	(1,648)	983
(Decrease )/Increase in creditors	719	(851)	398	(453)
Net Cash provided by/ (used in) / by operating activities	<u>258</u>	<u>(12)</u>	<u>(839)</u>	<u>261</u>

## 22. RELATED PARTY TRANSACTIONS

Cranstoun recharged costs totalling £10,565,354 (2023 £8,582,113) to Cranstoun Services Ltd its trading subsidiary. At the balance sheet date a balance of £2,627,082 (2023 £1,291,495) was outstanding to Cranstoun.

