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**SMART CRIMINAL JUSTICE SERVICES**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**SMART CRIMINAL JUSTICE SERVICES**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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<b>Trustees</b>	David Rawcliffe, Chair Shahin Bekhradnia (resigned 17 November 2020) Fergus Crombie Ralph Dennison Sarah Ladbrook (appointed 17 November 2020) Jono Poon Dr Fatima Sogiawalla Chantal Thomas Richard Thomas (resigned 17 November 2020)
<b>Company registered number</b>	03398982
<b>Charity registered number</b>	1069087
<b>Registered office</b>	32 St John's Street Bedford MK42 0DH
<b>Company secretary</b>	Anita McCallum
<b>Chief executive officer</b>	Anita McCallum
<b>Independent auditors</b>	Peters Elworthy & Moore Chartered Accountants Statutory Auditors Salisbury House Station Road Cambridge CB1 2LA
<b>Bankers</b>	The Co-operative Bank Plc 6 Olympic Court Mountford Street Salford M5 2QP

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**SMART CRIMINAL JUSTICE SERVICES**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2020 to 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition October 2019 (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**OBJECTIVES AND ACTIVITIES**

**POLICIES AND OBJECTIVES**

SMART Criminal Justice Services (SMART / SMART CJS) is established for the promotion of charitable purposes within the UK; for:

- the advancement of education;
- the protection of health;
- the relief of poverty, sickness and distress;
- the reduction of substance related harm to the individual and the wider community;
- the relief of homelessness;
- to carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstance upon terms appropriate to their means.

This is achieved by:

- Providing a range of services to support and promote recovery.
- Working closely with a range of partners to ensure holistic needs of the client are met throughout the term of engagement.
- Developing projects with Service Users and for Service Users.
- Promoting recovery through access to volunteering, education, training and employment.

**PUBLIC BENEFIT**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

**VOLUNTEERS**

Volunteers are essential for the smooth running of SMART CJS. Providing vital support in all the services that are run in four locations, during 2020, 44 individuals gave over 30,000 hours of their time (excluding Trustees who, as a group, gave at least 500 hours). During 2020 volunteering opportunities have been curtailed because of the pandemic but, as restrictions allow, more of SMART's volunteer base are returning to serve communities in greater numbers.

With their support and care, services can be kept running safely and efficiently. They save money across all services by helping with important tasks that would otherwise have to be paid for or performed by regular staff. Volunteers themselves derive great benefit from public service, particularly if they have lived experience of homelessness and/or substance misuse disorder and, in some cases, it helps them in their continued recovery.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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Volunteers help regularly at SMART Bedford, Howard House and SMART Wokingham on key activities like serving meals, taking residents to activities and medical appointments, assisting people to fill in forms, booking in guests, collecting donated food from supermarket depots, sorting through donated clothes ready for distribution and helping with events and rattling collecting tins.

**ACHIEVEMENTS AND PERFORMANCE**

SMART CJS's reputation for delivery and flexibility, particularly in relation to rough sleeper and homeless services continues to be in evidence and it further cemented its ability to help this vulnerable and complex section of the population in Bedford and Milton Keynes. With major changes to and investment in its infrastructure in 2019/20 (in the areas of ICT and Finance) in this latest financial year, the benefit that this investment has brought to SMART CJS has now been realised.

Two Trustees resigned in 2020, and one new Trustee was recruited, bringing the total number to seven on the Board going into 2021. SMART continues to recruit for a diverse Board, bringing a wide range of cultures, approaches, skills and experience to the Charity.

**Strategy 2020/21 and beyond**

The Board met in August 2019 to review progress and set strategy for the organisation. The focus areas that were identified then and continue to be relevant now are:

- Continuing to operate on a break-even or better basis across all services
- Diversifying income streams where possible and continuing to horizon-scan for opportunities that align with geography and SMART CJS's track record of delivery and adaptability
- Increasing digital strategy for fundraising and voluntary income
- Consolidating activities in current locations with organic growth in existing areas of expertise
- Having sufficient reserve funds in place to deal with future opportunities and risk.

**Impact of COVID-19**

The financial year 2020/21 represented the first full year of operation during the COVID-19 global pandemic. SMART CJS was identified early on as an organisation providing key frontline services and mandated by Government to continue operating through the emergency and beyond. Staff were all vaccinated ahead of the general population in recognition of this. SMART CJS has been highly valued locally and nationally as an organisation playing a vital role in keeping vulnerable sections of society safe, healthy and away from scarce NHS critical care resources at a time of national emergency.

Although COVID-19 has brought its challenges for staff, volunteers and commissioners, it has been observed that a proportion of "hardened" rough sleepers have experienced positive outcomes – and much faster than usual. With the additional support afforded them through the emergency in hotel-based accommodation, many have reduced or eliminated substance misuse from their lives and have an optimistic outlook and prospects for health, housing, employment, education or training as a result.

SMART CJS is well-placed to work closely with commissioners and local communities to continue to support those who are most vulnerable and those who find themselves with changing circumstances as a result of the pandemic, the so-called "economic homeless". With rising use of substances like alcohol and drugs as the impact of COVID is revealed, demand for SMART CJS and its services and approach will not lessen. It is needed more than ever.

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## **REVIEW OF ACTIVITIES**

The context in which SMART CJS is operating remains a challenging one, supporting a complex cohort with multiple needs and uncertain funding in some locations. Last year there were c100,000 hospital admissions involving a diagnosis of drug-related mental and behavioural disorder in England. And nearly 17,000 admissions for poisoning by drug misuse. Dual diagnosis remains one of the enduring issues of our time which we, as a society, are still developing solutions for; essentially in many instances the reason for someone's extreme addiction is psychological in origin but talking and other therapies are not widely deployed until a period of abstinence is demonstrated.

Recording the overall performance achieved in 2020/21 is SMART CJS's annual Impact Report. This publication has been key to showcasing services, documenting case studies and providing a tangible demonstration of the positive and wide effects of SMART CJS services. <https://smarcjs.org.uk/wp-content/uploads/2021/03/SMART-CJS-Impact-Report-2020-Online.pdf>

Individual reporting is also provided to commissioners of services in all areas which look at specific performance indicators (both quantitative and qualitative) and uses feedback from those who benefit from the services provided. External regulation of the SMART Howard House Service, Oxford and SMART Wokingham is provided by the Care Quality Commission (CQC).

There are two main types of service that SMART CJS provides, namely: **Homeless & Rough Sleeper Services and Substance Misuse Disorder Services**. We directly helped more than 1,500 people across Wokingham, Oxford, Bedford and Milton Keynes with substance misuse and homelessness. Many more individuals were helped with access to our online resources, email support and sign-posting to partner services.

Across all services, we provided a staggering 23,986 interventions to help people reduce/abstain their substance use and to facilitate access to medical, financial and housing support.

Despite the usual fundraising events being curtailed, SMART CJS still benefited from the activity of 327 donors and fundraisers amassing £178,165 through one-off donations, regular giving and "virtual" fundraising schemes.

### **1. Homeless & Rough Sleeper Services**

SMART CJS operates Homeless Services across Bedford and Milton Keynes. Although the number of rough sleepers increased nationally by 141% since 2010, Bedford and Milton Keynes saw a reduction for the fourth consecutive year. It's testament to SMART's dedication and effectiveness, working alongside other partner agencies as a community team, that this result has been achieved.

Those experiencing homelessness for three months or more, cost per person, on average £4,298 to the NHS, £2,099 for mental health services and £11,991 when in contact with the criminal justice system. In total, over £18,000. In comparison, a charity like SMART CJS can provide successful interventions for less than £1,500 per person: SMART CJS provides cost-effective solutions and works effectively alongside statutory services.

As England went into the first lockdown in March 2020 all local authorities provided emergency accommodation for rough sleepers; the so-called "Everyone In" initiative, to help prevent the spread of COVID19, stop this vulnerable group from entering high-dependency hospital care and provide a safe space for rough sleepers.

Working closely with local councils and following additional government guidelines, SMART CJS combined its homeless services in both Bedford and Milton Keynes into a central hotel base in each area. Having former rough sleepers and specialist services under one roof created a new and positive approach to tackling homelessness. The rapid and more lasting results achieved has paved the way for more appropriate long-term housing for Rough Sleepers in the form of independent units of accommodation supported by providers like SMART that assist with tenancy sustainment and help with practical living skills.

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**i. Bedford**

**SMART Prebend Centre:** A Homeless Day Centre – up until March 2020 it was open 365 days of the year offering adults facing homelessness or rough sleeping access to hot meals, phones, internet, medical advice and showers. Working alongside other specialist support agencies, SMART workers helped people using the centre to make plans to address their immediate issues. The building was utilised during COVID-19 by other community organisations as it was not suitable for day centre use during the pandemic as it did not comply with COVID restrictions for social distancing, gathering of groups and individual washing facilities.

**Somewhere Safe to Stay Hub** – all operations were transferred to a hotel hub in central Bedford in April 2020 in order to comply with the “Everyone In” mandate and to provide COVID-compliant accommodation for rough sleepers and those finding themselves homeless. The team dealt with high numbers of occupancy at the hotel and delivered a 24/7 service throughout with no closures or gaps in service.

**Rough Sleeper Initiative (RSI)** – this comprised a team of caseworkers supporting people to move from rough sleeping into accommodation, with ongoing help to sustain accommodation. Overall in Bedford, a staggering 4,586 interventions were recorded in support of rough sleepers and homeless individuals including:

- Personal skills like improving motivation and better self-care, alongside developing healthy social networks and understanding and prevention of offending behaviours.
- Money management including accessing benefits and employment as well as budgeting, planning and goal-setting.

A high percentage of service users that presented needed help with drug & alcohol use and mental health disorders and SMART was able to provide initial harm prevention advice and then facilitated teams from community partners to support people the following levels of need:

- 82 % Substance Use, 42 % Mental Health, 53 % Substance Use and Mental health (also known as Dual Diagnosis).

Commissioner feedback on the flexible and person-centred approach that SMART CJS services took was extremely positive:

“You were the ones on the ground maintaining delivery of our services to rough sleepers with true commitment every day. The strength and unity of everyone working together throughout the pandemic has not only enabled ‘everyone in’ to a safe place but has also helped so many people move on to more settled housing solutions to rebuild their lives.” *Tabitha – Rough Sleeper Coordinator, Bedford Borough Council.*

**ii. Milton Keynes**

**Somewhere Safe to Stay Hub (SSStH):** This is usually a hub providing direct access to a safe place to sleep with on-site support for mental health problems, finding suitable housing, claiming benefits and gaining employment. For some of the time during the pandemic, operations were transferred to hotels to comply with “Everyone In” and also COVID restrictions.

Numbers in the hotel were high and staff provided a 24/7 service with no gaps in provision.

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**Rough Sleeper Initiative (RSI):** This consisted of a team of caseworkers, including a specialist drugs and alcohol worker and EEA focused support, helping people to move from rough sleeping into accommodation, with ongoing help to sustain their accommodation.

"2020 was a year of change for SMART Milton Keynes. As part of 'Everyone In' we moved our services to a hotel. This allowed provision of a fast pathway to safe accommodation for anyone facing homelessness. Working under one roof with the council and partner agencies (e.g. the NHS and substance overuse services) led to better and quicker results for those we supported.

In August we returned to the Somewhere Safe to Stay Hub (SStSH) model, previously a night facility for rough sleepers. Due to 'Everyone In' we provided those sleeping rough a safe place to stay day and night, and support when needed. We worked closely with our service users to help overcome challenges, prepare for moves into alternative accommodation and support those placed in housing provided by the Council." *Louise Kinton, Deputy Manager, SMART CJS, Milton Keynes*

SMART Milton Keynes teams delivered over 8,000 interventions during 2020, including access to healthcare, skills for independent living, budgeting skills, and managing benefits and finances.

Once again, the excellent work done by SMART teams adapting to different locations and working environments has paved the way for the procurement of more suitable supported accommodation for rough sleepers in Milton Keynes.

## **2. Substance Misuse Disorder Services**

### **i. SMART Howard House, Oxford - Residential Detoxification Service**

SMART Howard House has been delivering a hybrid drug & alcohol detoxification project in Oxford for the last 11 years. Residents stay for approximately 12-14 weeks, complete their detox and a recovery programme which is delivered through 1-2-1, group work, peer led support and mutual aid. This is a fully commissioned service for Oxfordshire residents.

A key component to the success of the project has been the hybrid element (a combined detox and rehab in one stage) allowing the service user a chance to address behaviours and establish a new way forward and 83% of residents in 2020 left with a planned and successful discharge.

Referral to the programme is by community partner organisation, Turning Point, and potential admissions must demonstrate a commitment to turning around their substance misuse disorder by having regularly attended group and individual sessions. In turn, individuals make a difficult choice when entering Howard House, giving up their freedom and ability to mix with family and friends for the length of the programme. This means they will not leave the unit without a staff or volunteer chaperone at any point during their stay, and phone calls and visits are supervised and they will be regularly tested for drugs and alcohol.

During the height of COVID-19 referrals to the facility decreased and screenings for potential residents became difficult as GPs and partner agencies reduced their face-to-face services. Over 150 structured groups continued remotely during 2020 covering topics for building motivation, understanding addiction, developing life skills and preventing further substance misuse, plus:

- 45 socially distanced art therapy groups
- 40 garden yoga classes
- 45 garden and online mindfulness sessions.

Well-being groups continued throughout the year and activities such as counselling, gym trips, group walks, external addiction and recovery groups, visits to local museums and the cinema were replaced by telephone and online counselling, museum tours and escape room challenges, one-to-one walks with volunteers and BBQ fire pit evenings. Addiction and recovery meetings e.g. Alcoholics Anonymous were also done online.



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Other significant facts:

- To remain open, staff were split into 'bubbles' of two or three and, where possible, worked remotely.
- Initially, government funding for PPE was unavailable, which meant staff had to locate and purchase equipment to keep everyone safe.
- The number of available beds reduced because 14-day isolation space was needed.
- Visits from families and friends were restricted which made treatment extremely tough for residents.

**ii. SMART Wokingham – Community Substance Misuse Service**

SMART Wokingham was a free community treatment service, helping adults and young people affected by drug and alcohol use. It saw a phenomenal increase in clients in 2020 – almost certainly as a direct result of the pandemic. It was funded by Wokingham Borough Council up until 31<sup>st</sup> March 2021.

Adults accessed a broad range of evidence-based interventions including one-to-one psychosocial support, counselling, group sessions and clinical services to reduce alcohol and opiate dependency and problematic substance use. Referrals were received directly from local residents and the NHS and partner services, with the greatest proportion being self-referrals.

In 2020 SMART Wokingham received 547 referrals, an increase of 34% compared to 2019. This resulted in 529 adults accessing support in 2020, an increase of 32% from 2019. More than one half needed support to reduce or stop problematic alcohol use. Around one third required help with opiate dependency. Just over one quarter of all adults needed support to reduce or stop using non-opiates drugs, such as ecstasy and cocaine.

SMART Recovery Workers delivered:

- 3,614 evidence based one-to-one interventions\*\*
- 820 clinical interventions
- 339 interactive groups.

\*\*Including topics such as safer drug use, reducing alcohol use, understanding codependency, building recovery capital & resilience, setting goals and planning for the future.

In response to COVID-19 approximately 80% of assessments and interventions were conducted online or by phone during 2020.

Young people had the support of a dedicated worker, who also helped schools and local NHS workers with advice and resources. For residents affected by another person's substance use, SMART Wokingham offered email, phone and face-to-face support based around the 'Steps to Cope' model.

During 2020 SMART Wokingham Young Person's Service received 58 referrals, with 62% assessed as appropriate and successfully engaged in treatment. More than 150 young people received drug and alcohol education at school and online from SMART Wokingham staff.

SMART Wokingham also operated a Family & Carers Service which was available to adults who had concerns about another person's drug or alcohol use. Advice information, support and signposting was provided by a specialist worker face-to-face, online and by phone.

SMART would like to thank the dedication of all its team in Wokingham and thank them for their passionate and person-centred approach as the service passed to a new provider organisation in April 2021.

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**On-line Support via SMART website**

SMART CJS continues to invest in the development of online resources on its website [www.smartcjs.org.uk](http://www.smartcjs.org.uk). It contains advice, tools and resources for professionals and members of the public. There were 88,412 website views during 2020 and, for the fourth year running, 'screening and assessment tools for professionals' was the most viewed page, seen 16,474 times.

169 people reached out for support via online forms as well as 7,542 drug and alcohol support resources and tools downloaded by people needing support or professionals working in the drugs and alcohol sector.

**FINANCIAL REVIEW**

**GOING CONCERN**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**RESERVES POLICY**

The Trustees have examined the Charity's reserve requirements in the light of the main risks to the organisation and set this at 3 months' operating costs (including major liabilities) - a sum in excess of £400K. A major risk for SMART CJS would include the loss of or reduction to any local authority contract, for example.

In the unlikely event that the SMART CJS was no longer considered viable, the winding up costs of the charity have been included and details of specific items like the conversions of building back to original state, staff costs, penalty costs for early release from supplier contracts and disposal of assets listed in these calculations.

**SURPLUS**

This year has seen an overall surplus of £323k for the first time since financial year ending 2016. This is due to better pricing and negotiation of contracts, a cost improvement programme and investment in key support infrastructure (like Finance, ICT and HR) which has allowed the senior team and managers to run the organisation effectively and professionally. The surplus will be reinvested in SMART CJS in two major programmes of work for 2021/22:

- SMART Infrastructure Phase 2 – which will create an interactive learning and development system along with a staff intranet. This will enable smoother induction, mandatory training and refresher training to be delivered and monitored from an integrated single source and regular legislative updates to be added from the expert provider, Learning Pool.
- Business Development in the geographical areas SMART CJS currently works or abuts and organic growth through similar or aligned work e.g. supported housing services/tenancy sustainment.

Net assets have increased to £1,055,002 (2020: £732,066)

It has free reserves of £1,053,970 (2020: £708,142) being unrestricted funds less tangible assets.

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**PRINCIPAL FUNDING**

SMART's primary funding source is through Local Authority commissioned contracts (from Wokingham Borough Council for Community Drug & Alcohol Support Services – up until 31<sup>st</sup> March 2021 - and Oxfordshire County Council for SMART Howard House). These amounted to £1,069,375 in 2020/21.

In terms of grants for work with rough sleepers and the homeless, these totalled £1,165,122 (from Bedford Borough Council and Milton Keynes Council).

Although voluntary income makes up less than 5% of SMART CJS income, it has sought to strengthen its financial position during 2020/21, should the public's propensity to donate have dropped significantly during COVID-19. During March 2020 and the first quarter in 2020/21, significant resources and effort were put into replacing voluntary income which would have been garnered through fundraising. Grant applications in 2020 were highly successful and made up for lost voluntary income received from events and face to face fundraising.

**INVESTMENTS POLICY**

Aside from retaining a prudent amount in reserves each year, amounting to 3 months' operating costs, most of the charity's funds are to be spent in the short term so there are few funds available for long term investment. The policy for the investment opportunities is currently under review, particularly in the light of COVID-19.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**CONSTITUTION**

The Organisation is a charitable company limited by guarantee, incorporated on 4th July 1997 and registered as a charity on 8th April 1998. The Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

The Memorandum and Articles of Association, were reviewed and updated in August 2017 and were later updated in 2019 reflecting BREXIT changes and to clarify that the Charity is for the benefit of those in the UK.

**METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The directors of the Company are also charity trustees for the purposes of charity law and under the Company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association and a more recent Terms of Reference being implemented, members of the Board may retire from office and/or shall be eligible for re-appointment or re-election at the AGM depending on length of service, up to a suggested maximum of 6 years.

It is recognised that the Board needs to reflect the community served, as far as is possible, and a rolling programme of Trustee recruitment was started in 2019. SMART CJS undertook a skills audit of Trustees, looked at what was needed by the organisation and advertised for new Trustees in September 2019 and in the following year. It was successful in recruiting two new individuals in November 2019 and one during November 2020.

**POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

All new trustees are fully aware of the purpose and work of the Charity from preliminary discussions with a member of the Board of Trustees. Potential Trustees are invited to meet informally with existing Trustees prior to attending a meeting of the Board in an observer role. In addition, they will have received the SMART Trustee Application Pack and Induction Pack.

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Any applications are signed, with the statement that the responsibilities are fully understood. The Induction process therefore starts some time before the new Trustee becomes a member of the Board of Trustees.

Subsequent induction/training is tailored to the individual depending on his/her expressed interest in any specific area of the Charity's work and is not the same for any one person since many, for example, will already have met and had discussions with the Chair of the Board of Trustees, Chief Executive, other staff members, perhaps attended meetings with Mentors, worked closely with the charity etc. The process is under review regularly as improvements to governance practice and response to recommendations from representative bodies are always sought.

#### **PAY POLICY FOR SENIOR STAFF**

The Trustees consider the Board of Trustees and the Chief Executive and Senior Management Team as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of any Trustee expenses and related party transactions are disclosed in note 10 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

The pay of the Chief Executive and Senior Management Team is reviewed annually and can be increased based on performance. The remuneration is reviewed to ensure that it is fair and not out of line with similar roles.

#### **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

SMART Criminal Justice Services has a Board of Trustees that meet quarterly and are responsible for the strategic direction and main policies of the charity. At present the Board has members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the service rests with the Chief Executive along with the Senior Management Team. The Chief Executive is responsible for ensuring the charity delivers the services specified and that key performance indicators are met. The managers have responsibility for the day-to-day operational management of the Charity, individual supervision of the staff teams and ensuring the teams continue to develop their skills and working practices in line with best practice.

#### **RELATED PARTY RELATIONSHIPS**

In so far as is complementary to the charity's objectives, the charity is guided by both local and national policy.

#### **RISK MANAGEMENT**

The Senior Management team regularly review risks and maintain a risk log, which is overseen by the Board of Trustees Governance Lead. The complete risk register is reviewed annually by the Board of Trustees and all serious risks are reviewed at every Board meeting. All identified risks have mitigating actions set against them.

All governance areas, such as finance and insurance, health and safety, clinical and safeguarding are overseen by subcommittees which ensure internal control and minimisation of risk. Alongside this are quality assurance mechanisms, such as incident reporting, feedback mechanisms and practice standards and audits which comply with Drugs and Alcohol National Occupations Standards (DANOS) and QUADS standard (Quality Assurance for Drug and Alcohol Services). These mechanisms allow for concerns and risks to be identified, investigated and key learning implemented across the organisation, ensuring a consistent quality in service delivery.

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In 2020/21, risks were listed according to Charity Commission Statement of Recommended Practice (SORP) principles, analysing and logging risk according to key categories like strategy, financial, reputational, people, legal et al.

**Principal risks and uncertainties**

SMART CJS continues to be a more focused and consolidated organisation and has invested in infrastructure to ensure its sustainability and more effective operation. This has reduced risk of lack of diversity of income as it has become more than a substance misuse organisation, broadening the field of expertise to include homelessness and rough sleeper projects. With larger charities able to offer more economies of scale, the drugs and alcohol service sector has become increasingly competitive and it is more difficult to successfully win or retain business. The loss of the Wokingham Community Substance Misuse Service from April 1<sup>st</sup> 2021 has meant that this strategy has been a prudent one.

External risks of factors outside of the charity's control pose a threat to income, like changes to benefits and housing and also societal changes in attitudes towards donating to certain types of causes. Other risks are to do with Government's (and therefore local authority) ability to continue to fund rough sleeper and substance misuse services having had much unplanned expenditure themselves due to the pandemic.

With the pledge by Government to end rough sleeping by 2027, it appears as though funding will be provided until at least that date.

**PLANS FOR FUTURE PERIODS**

The issues of homelessness and substance misuse disorder continue to be ones which Governments seek to address and distribute funds via local authorities and charities such as SMART CJS. SMART CJS has seen huge growth in demand and this continues to grow under COVID-19. The priority for development is growth in rough sleeper and homeless provision in areas SMART already operates in and in ones adjacent to its staff bases.

SMART CJS is seeking opportunities to play its part in the regeneration of towns and communities post-COVID-19. It is also looking at ways to develop new services based on housing support – like tenancy sustainment for complex or challenging renters in the private or social housing sector.

**COVID-19 Impact and Mitigation**

SMART has consolidated and build on its rough sleeper services in the areas it currently operates in – Bedford and Milton Keynes.

The priority for SMART CJS in 2021 and beyond is one of continued consolidation and continued change. It, like other charities, is affected by external influences like:

- Unexpected events like the COVID-19 pandemic and unplanned expenditure. What happened in 2020/21 was that Councils reimbursed for any lost income when the organisation had to bear additional costs like PPE and cost of continual COVID testing.
- Volunteers being unavailable to supplement paid staff because of restrictions to movement within geographical areas and shielding. This meant that some activities were curtailed like outings for residents at Howard House, but it did not affect the operation of core services.

SMART CJS has weathered the storm of the pandemic better than most as it was emerging from a sustained period of cost control, better pricing of work and investment in its infrastructure.

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Looking forward, with the charity in surplus, making sure that gaps in service provision are met by SMART CJS will be a priority e.g. Day Centre services in Bedford and Milton Keynes. Also new business like supported tenancy for landlords will also be a focus for market testing in 2021/22. SMART CJS has shown it is highly adaptable to change and novel circumstances, and it will continue to be there to support the recovery of people and places for the long term.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of SMART Criminal Justice Services for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, PEM, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**David Rawcliffe** Chair

Date: 3 September 2021

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMART CRIMINAL JUSTICE SERVICES**

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**OPINION**

We have audited the financial statements of SMART Criminal Justice Services (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes, including a summary of 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 charitable company's affairs as at 31 March 2021 and of its 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 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.

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMART CRIMINAL JUSTICE SERVICES**  
**(CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the charitable 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 in relation to which 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 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.



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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMART CRIMINAL JUSTICE SERVICES**  
**(CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

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.

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMART CRIMINAL JUSTICE SERVICES**  
**(CONTINUED)**

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**AUDITORS' 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 Auditors' 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 focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; 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 company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, 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; and
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

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; and

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMART CRIMINAL JUSTICE SERVICES**  
**(CONTINUED)**

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- enquiring of management as to actual and potential litigation and claims.

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

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

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

**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 we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Hewett (Senior Statutory Auditor)**

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 14 September 2021

**SMART CRIMINAL JUSTICE SERVICES**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME FROM:</b>					
Donations and legacies	3	75,000	103,165	178,165	118,379
Charitable activities	4	2,361,521	73,749	2,435,270	2,047,812
Investments	5	1,776	-	1,776	19,548
Other income	6	34,894	8,189	43,083	-
		<u>2,473,191</u>	<u>185,103</u>	<u>2,658,294</u>	<u>2,185,739</u>
<b>TOTAL INCOME</b>					
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	-	-	6,187
Charitable activities		2,152,933	182,445	2,335,378	2,413,137
		<u>2,152,933</u>	<u>182,445</u>	<u>2,335,378</u>	<u>2,419,324</u>
<b>TOTAL EXPENDITURE</b>					
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	16	320,258 25,000	2,658 (25,000)	322,916 -	(233,585) -
		<u>345,258</u>	<u>(22,342)</u>	<u>322,916</u>	<u>(233,585)</u>
<b>NET MOVEMENT IN FUNDS</b>					
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		708,894	23,192	732,086	965,671
Net movement in funds		345,258	(22,342)	322,916	(233,585)
		<u>1,054,152</u>	<u>850</u>	<u>1,055,002</u>	<u>732,086</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 36 form part of these financial statements.

**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03398982**

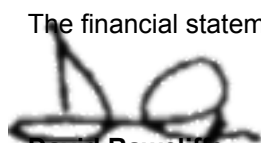
**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	11	<b>182</b>	752
		<b>182</b>	752
<b>CURRENT ASSETS</b>			
Debtors	13	<b>113,426</b>	165,750
Cash at bank and in hand		<b>1,121,787</b>	788,583
		<b>1,235,213</b>	954,333
Creditors: amounts falling due within one year	14	<b>(165,393)</b>	(192,999)
<b>NET CURRENT ASSETS</b>		<b>1,069,820</b>	761,334
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,070,002</b>	762,086
Provisions for liabilities		<b>(15,000)</b>	(30,000)
<b>TOTAL NET ASSETS</b>		<b>1,055,002</b>	732,086
<b>CHARITY FUNDS</b>			
Restricted funds	16	<b>850</b>	23,192
Unrestricted funds	16	<b>1,054,152</b>	708,894
<b>TOTAL FUNDS</b>		<b>1,055,002</b>	732,086

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**David Rawcliffe**

Chair

Date: 3 September 2021

The notes on pages 21 to 36 form part of these financial statements.

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**SMART CRIMINAL JUSTICE SERVICES**  
(A Company Limited by Guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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	Note	2021 £	2020 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	18	<b>331,428</b>	(303,391)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interests and rents from investments		<b>1,776</b>	19,548
Net proceeds from the sale of tangible fixed assets		-	898,170
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>1,776</b>	<b>917,718</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>333,204</b>	<b>614,327</b>
Cash and cash equivalents at the beginning of the year		<b>788,583</b>	174,256
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	19	<b>1,121,787</b>	788,583

The notes on pages 21 to 36 form part of these financial statements

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) second edition October 2019 (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

SMART Criminal Justice Services meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Trustees names on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

**1.3 GOING CONCERN**

The trustees have prepared budgets and forecasts covering the period to 31 August 2022, which take into account the impact of Covid-19 on its operations. These show that, whilst a return to a net surplus will be challenging, the charity has sufficient cash reserves to meet its liabilities as they fall due for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.4 INCOME**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Company has an entitlement to the donation, it is probable that the economic benefit will flow to the Company and when it can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Contract income is recognised when the Company has entitlement, when any conditions of the contract have been met, it is probable the economic benefit will flow to the Company and the amounts are measurable. If the Company is not yet entitled, amounts are deferred.

Investment income is mainly attributable to rental income and is recognised over the period to which the income relates.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.



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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.5 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

**1.6 GOVERNMENT GRANTS**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

**1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £100 or more are capitalised.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 33.33% straight line
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**1.8 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

**1.9 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and 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.

**1.11 LIABILITIES AND PROVISIONS**

Liabilities 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.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 FINANCIAL INSTRUMENTS**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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**SMART CRIMINAL JUSTICE SERVICES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.13 PENSIONS**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**1.14 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

Estimates and judgments 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.

Critical accounting estimates and assumptions:

**Provisions**

A provision for dilapidations is maintained based on independent professional advice received of the cost of returning the properties occupied to their original state at the end of the lease.

**3. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations	-	103,165	<b>103,165</b>	118,270
Legacies	75,000	-	<b>75,000</b>	109
	<u>75,000</u>	<u>103,165</u>	<u><b>178,165</b></u>	<u>118,379</u>
TOTAL 2020	<u>118,270</u>	<u>109</u>	<u><b>118,379</b></u>	

**SMART CRIMINAL JUSTICE SERVICES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Homelessness, substance misuse and domestic abuse	2,319,672	73,749	<b>2,393,421</b>	1,988,045
Earned and client income	41,849	-	<b>41,849</b>	59,767
	<u>2,361,521</u>	<u>73,749</u>	<u><b>2,435,270</b></u>	<u>2,047,812</u>
	<u>2,012,479</u>	<u>35,333</u>	<u>2,047,812</u>	
TOTAL 2020				

**5. INVESTMENT INCOME**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	-	-	19,523
Bank interest	1,776	<b>1,776</b>	25
	<u>1,776</u>	<u><b>1,776</b></u>	<u>19,548</u>
	<u>19,548</u>	<u>19,548</u>	
TOTAL 2020			

**SMART CRIMINAL JUSTICE SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**6. OTHER INCOMING RESOURCES**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other COVID related income	21,792	8,189	<b>29,981</b>	-
Government grants	13,102	-	<b>13,102</b>	-
	<u>34,894</u>	<u>8,189</u>	<u><b>43,083</b></u>	<u>-</u>
TOTAL 2020	<u>-</u>	<u>-</u>	<u>-</u>	

Included in Government grants are amounts receivable under the Coronavirus Job Retention Scheme (CJRS) of £9,724 (2020: £NIL) to cover salaries of furloughed staff.

**7. COSTS OF RAISING FUNDS**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising expenses	<u>-</u>	<u>-</u>	<u>6,187</u>
TOTAL 2020	<u>6,187</u>	<u>6,187</u>	

**SMART CRIMINAL JUSTICE SERVICES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Homelessness, substance misuse and domestic abuse	1,724,770	610,608	<b>2,335,378</b>	2,413,137
	<u>1,633,009</u>	<u>780,128</u>	<u>2,413,137</u>	
TOTAL 2020	<u>1,633,009</u>	<u>780,128</u>	<u>2,413,137</u>	

In 2020 the expenditure was made up of £2,399,616 unrestricted expenditure and £13,521 restricted expenditure.

**ANALYSIS OF DIRECT COSTS**

	Total funds 2021 £	Total funds 2020 £
Staff costs	<b>1,439,098</b>	1,086,424
Casual staff costs	<b>41,741</b>	159,247
Training	<b>9,433</b>	16,687
Travel and other staff costs	<b>25,687</b>	41,056
Client welfare	<b>189,843</b>	312,772
Insurance	<b>15,638</b>	15,145
Other	<b>3,330</b>	1,678
	<u><b>1,724,770</b></u>	<u>1,633,009</u>

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**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	<b>148,833</b>	141,246
Promotion costs	<b>627</b>	3,238
Recruitment	<b>3,730</b>	7,344
Audit and accountancy fees	<b>40,952</b>	39,423
Premises	<b>240,599</b>	287,966
Reverse premium	-	104,083
Telephone and internet	<b>27,210</b>	26,900
Legal and professional	<b>86,415</b>	63,715
Depreciation	<b>570</b>	2,047
Postage, stationery and printing	<b>7,443</b>	11,234
Equipment hire	<b>753</b>	3,510
Computer expenses	<b>34,675</b>	83,530
Other (including COVID-19 expenses)	<b>18,801</b>	5,892
	<b>610,608</b>	780,128

During the year ended 31 March 2021, the Charity incurred governance cost of £9,540 (2020: £8,568).

**9. NET INCOME/ EXPENDITURE**

This is stated after charging:

	<b>2021 £</b>	<b>2020 £</b>
Depreciation	<b>570</b>	2,047
Auditors' remuneration	<b>9,540</b>	8,568
	<b>10,110</b>	10,615

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**10. STAFF COSTS**

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,407,068</b>	1,086,951
Social security costs	<b>114,594</b>	89,426
Contribution to defined contribution pension schemes	<b>66,269</b>	51,293
Casual wages	<b>41,741</b>	159,247
	<b><u>1,629,672</u></b>	<b><u>1,386,917</u></b>

The average number of persons employed by the Charity during the year was as follows:

	<b>2021</b>	2020
	<b>No.</b>	<b>No.</b>
Chief Executive	<b>1</b>	1
Management and administration	<b>12</b>	12
Client-facing staff	<b>55</b>	36
	<b><u>68</u></b>	<b><u>49</u></b>

Average headcount expressed as full-time equivalent:

	<b>2021</b>	2020
	<b>No.</b>	<b>No.</b>
Chief Executive	<b>1</b>	1
Management and administration	<b>11</b>	11
Client-facing staff	<b>42</b>	32
	<b><u>54</u></b>	<b><u>44</u></b>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021</b>	2020
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>1</b>	1

The total amount of employee benefits received by the key management personnel is £148,833 (2020 - £141,246). The Trust considers its key management personnel comprise the Board of Trustees, the Chief Executive and the Senior Management Team.

No trustee received or waived any remuneration during the current or preceding year. No expenses were reimbursed to trustees during the current or preceding year.



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**11. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST OR VALUATION</b>	
At 1 April 2020	87,539
At 31 March 2021	87,539
<b>DEPRECIATION</b>	
At 1 April 2020	86,787
Charge for the year	570
At 31 March 2021	87,357
<b>NET BOOK VALUE</b>	
At 31 March 2021	182
At 31 March 2020	752

**12. FIXED ASSET INVESTMENTS**

In 2016, the Charity acquired the shares of Smart CJS Trading Limited for £1 and the investment was written off in 2017 as charitable expenditure. The Company did not trade during the year 31 March 2021 and was dissolved in April 2020. The Company's key financial information which is not material to the group has not been consolidated into these accounts.

**13. DEBTORS**

	2021 £	2020 £
Trade debtors	70,317	135,199
Other debtors	730	6,368
Prepayments and accrued income	42,379	24,183
	113,426	165,750

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**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	28,841	33,730
Other taxation and social security	29,872	26,193
Other creditors	7,537	7,195
Accruals and deferred income	99,143	125,881
	<u>165,393</u>	<u>192,999</u>

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions totaling £7,061 (2020 - £6,588) were payable to the fund at the balance sheet date and are included in other creditors.

	2021 £	2020 £
<b>DEFERRED INCOME - GRANT FUNDING</b>		
Deferred income at 1 April 2020	79,582	27,993
Resources deferred during the year	44,260	79,582
Amounts released from previous periods	(79,582)	(27,993)
<b>Deferred income at 31 March 2021</b>	<u>44,260</u>	<u>79,582</u>

**15. PROVISIONS**

	Dilapid- ations £
At 1 April 2020	30,000
Amounts reversed	(15,000)
	<u>15,000</u>

A dilapidation provision is required as the terms of the leases requires the properties to be returned to the lessor in their original condition at the end of the lease period.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b>UNRESTRICTED FUNDS</b>					
Reserves	708,894	2,473,191	(2,152,933)	25,000	1,054,152
<b>RESTRICTED FUNDS</b>					
OXPAT	23,192	6,450	(28,792)	-	850
COVID related grants	-	8,189	(8,189)	-	-
Prebend centre grants	-	67,299	(42,299)	(25,000)	-
Donations - Bedford	-	1,056	(1,056)	-	-
Donations - Milton Keynes	-	115	(115)	-	-
Donations - Prebend centre	-	98,913	(98,913)	-	-
Donations - SMART Howard House	-	3,070	(3,070)	-	-
Donations - Wokingham	-	11	(11)	-	-
	23,192	185,103	(182,445)	(25,000)	850
<b>TOTAL OF FUNDS</b>	<b>732,086</b>	<b>2,658,294</b>	<b>(2,335,378)</b>	<b>-</b>	<b>1,055,002</b>

**OXPAT - Oxford Poverty Action Trust**

Funding is to provide direct support to residents of SMART Howard House in the form of grants for clothing, healthcare and related costs and to ensure equitable access to the project.

**COVID related grants**

Funding received specifically to contribute to the additional expenses incurred ensuring compliance with COVID-19 requirements.

**Prebend centre grants**

Funding received to support staff costs and repair costs for the centre. Transfer to Reserves occurred in the year due to funding awarded in the current year for costs retrospectively incurred.

**Donations**

Donations received identified for specific activities/ geographical areas within the Charity.

**SMART CRIMINAL JUSTICE SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**16. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
<b>UNRESTRICTED FUNDS</b>				
Reserves	964,400	2,150,297	(2,405,803)	708,894
<b>RESTRICTED FUNDS</b>				
OXPAT	1,271	35,442	(13,521)	23,192
<b>TOTAL OF FUNDS</b>	<u>965,671</u>	<u>35,442</u>	<u>(2,419,324)</u>	<u>732,086</u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	182	-	182
Current assets	1,234,363	850	1,235,213
Creditors due within one year	(165,393)	-	(165,393)
Provisions for liabilities and charges	(15,000)	-	(15,000)
	<u>1,054,152</u>	<u>850</u>	<u>1,055,002</u>

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**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	752	-	752
Current assets	931,141	23,192	954,333
Creditors due within one year	(192,999)	-	(192,999)
Provisions for liabilities and charges	(30,000)	-	(30,000)
	<u>708,894</u>	<u>23,192</u>	<u>732,086</u>

**18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>322,916</u>	<u>(233,585)</u>
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	570	2,047
Dividends, interests and rents from investments	(1,776)	(19,548)
Decrease/(increase) in debtors	52,324	(37,647)
(Decrease)/increase in creditors	(27,606)	342
Movement in dilapidation provision	(15,000)	(15,000)
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<u><b>331,428</b></u>	<u><b>(303,391)</b></u>

**19. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash in hand	720,012	388,583
Notice deposits (less than 3 months)	401,775	400,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<u><b>1,121,787</b></u>	<u><b>788,583</b></u>

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**20. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	788,583	333,204	1,121,787
	<u>788,583</u>	<u>333,204</u>	<u>1,121,787</u>

**21. OPERATING LEASE COMMITMENTS**

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
<b>AMOUNTS PAYABLE</b>		
Not later than 1 year	106,150	128,650
Later than 1 year and not later than 5 years	92,542	191,225
Later than 5 years	-	7,467
	<u>198,692</u>	<u>327,342</u>

**22. RELATED PARTY TRANSACTIONS**

No related party transactions have occurred during the current or prior year.