

REGISTERED COMPANY NUMBER: 03398982 (England and Wales)
REGISTERED CHARITY NUMBER: 1069087

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
Smart Criminal Justice Services Ltd

**Contents of the Financial Statements
for the Year Ended 31 March 2023**

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 25
Detailed Statement of Financial Activities	26

**Report of the Trustees
for the Year Ended 31 March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Policies and objectives

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.

STRATEGIC REPORT

Achievement and performance

Charitable activities

SMART CJS operates Homelessness support Services across Bedford and Milton Keynes. During 2022/23 our services in Bedford and Milton Keynes remained open, 24 hours a day and seven days a week, supporting those aged 18 and over needing emergency, temporary, supported accommodation and detox/rehab residential care.

During 2022/23, SMART worked with a total of 767 individuals who were in housing crisis; some for a few weeks or months, others on an ongoing basis. All were offered 1:1 casework with the aim of being able to move on from SMART with the life skills to remain safely housed.

We proved that we were able to adapt rapidly to new statutory funding streams and models emerging for rough sleeper support services.

We secured additional funding to help prevent homelessness in Bedford alongside our other services and in September 2022 our prevention service, Firstpoint was launched and run successfully alongside our supported accommodation services.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRATEGIC REPORT

Achievement and performance

Review of activities

Overall, 767 people accessed our homelessness services and 260 were supported to move into accommodation as a result. A high proportion needed closer support to access community drugs and alcohol services, mental health services and welfare and benefits advice. Many also were helped to register with a GP to ensure that any physical health issues were addressed and monitored in a regular and timely way.

i) Bedford

Rogers Court has 20 flats for people who have self-identified support needs and a history of homelessness and/or rough sleeping, delivered in partnership with Bedford Borough Council.

Operating at capacity since it opened, Rogers Court received 25 new referrals in 2022/23. 100% of residents engaged with mental health support. P2R provide 1:1 appointments for residents onsite, as well as offering needle exchange and harm reduction advice to all the people.

SMART Prebend Centre The service was open during 2022/23 to provide a lunchtime hot meal service, serving up to 40 people per day. During 2022/23 we dealt with 7,034 visits, 6,991 hot meals and 884 face to face support sessions. People were also able to access medical support and counselling from the Prebend Centre, use facilities to shower and wash clothes and pick up clean and warm clothing.

Due to the decrease in rough sleeping in Bedford, Prebend has evolved to focus on prevention of homelessness. This meant an additional increased emphasis on helping individuals maintain tenancies, manage finances, and look at realistic ways of preventing them from losing their homes.

Emergency Accommodation

152 people were housed in emergency accommodation by SMART in 2022/23. Our emergency provision hosted 24/7 support for people who have been verified rough sleeping by our Outreach team. Each individual in our emergency accommodation was provided with a safe space to sleep, store their belongings and spend their time. SMART were on site for support, advice and to make referrals for broader support services where necessary. Our support workers gave guidance and help to enable residents to access the welfare & benefits system where possible, including setting up bank accounts.

First Point

SMART has delivered homelessness services commissioned by, and in partnership with Bedford Borough Council since 2017. In September 2022 these services were expanded to widen our reach in terms of homelessness prevention, and First Point was launched. This includes:

- Assertive outreach delivered in partnership with PBIC (Immigration support) - responding to referrals from other professionals, through Streetlink, members of the public and pro-actively looking for people rough sleeping.
- Floating Support - for people living in non-supported accommodation who need help to maintain their tenancy, and continue engagement to improve health, wellbeing and lifestyle.
- Prevention - to support people pre-statutory prevention support. People who are showing signs of struggling with their accommodation for any reason, and who without intervention would ultimately end up rough sleeping.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRATEGIC REPORT

Achievement and performance

ii) Milton Keynes

Norman Russell House is a 13 bed supported accommodation run by SMART, contracted and mainly funded by Milton Keynes City Council, for people who have previously faced homelessness. It is one of only two facilities of its kind in Milton Keynes, working to address the soaring issues of homelessness and rough sleeping in the city. Accommodation is 10 single rooms and 3 one bedroom flats. It provides supported housing for up to two years with the aim of preparing individuals to move on and successfully live independently.

During 2022/23 we provided 24/7 onsite support at Norman Russell house, offering holistic, person centered care which took into consideration all factors the person is facing, not just their accommodation needs.

In the short time that Norman Russell House has been open we have had 16 residents. Those who have moved on are now successfully maintaining tenancies in the area, receiving ongoing support from SMART.

Strategy 2023 - 2025

Helping more people to help themselves: our aspiration in 2023 - 2025 is to treble the number of people we help (from c.700 to 2,100 per annum). We will do this by:

- Offering high quality services
- Preventing and addressing homelessness
- Investing in the future
- Being sustainably funded

And these priorities will all be underpinned by our approach to people and:

- Ensuring staffing levels are sufficient and that our people are well trained, fairly paid, supported and feel valued.
- Encourage those who use our services to be involved in shaping them.

Existing services will continue to be delivered with quality top of mind as well as new types of services:

- Partnering with others from housing sector and/or delivering tenancy sustainment directly are the future ambitions.
- Running Social Enterprise/Community Interest Company and/or property directly as a social landlord.

SMART CJS remains ideally placed to work closely with commissioners and local communities to support those who are most vulnerable and who find themselves with changing circumstances. This could be as a result of the recently documented cost of living crisis. Demand for SMART CJS and its services and approach will not lessen. It is needed more than ever.

We know that the prevention agenda for rough sleeping and homelessness will come to the fore even more. And one of our own aims as a charity and the government's revised approach to homelessness and rough sleeping - will mean the increased need for items like debt management/financial advice services more accessible within SMART CJS services and the need for investment in this area.

Financial review

Financial position

This year has seen an overall deficit of £353,607 for the charity.

Net assets have decreased from £1,033,408 to £679,771.

The charity has free reserves of £679,771 (being unrestricted funds as there are no tangible assets to take into account).

**Report of the Trustees
for the Year Ended 31 March 2023**

STRATEGIC REPORT

Financial review

Principal funding sources

SMART's primary funding is from Local Authorities - either from tendered services or grant awarded services from Bedford Borough Council and Milton Keynes City Council - this amounted to almost £2 million in this latest financial year.

Although voluntary income makes up just 5% of SMART CJS income, it has sought to strengthen its financial position through one-off grant-giving organisation applications. Voluntary income has made up a smaller proportion of any other income that SMART CJS earn and the organisation has sought to strengthen this approach in the next financial year with the use of a dedicated Grants Officer.

With community fundraising through events now more possible SMART CJS is planning more activities and events to raise significant sums. In September 2022 we raised funds through a sponsored Sleepout.

Investment policy and objectives

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 respect of the need to diversify.

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 2-3 months' operating costs (including major liabilities) - a sum of just over £400K.

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. Overall, financially and in-line with its charitable aims, SMART CJS remains a going concern for the foreseeable future and has sufficient in reserves and enough liquidity in cash at bank to deal with gearing up or gearing down the organisation in the unlikely event of an unforeseen internal or external force making this necessary.

Principal risks and uncertainties

SMART CJS continues to be a focused and consolidated organisation and has invested in infrastructure and resourcing to ensure its sustainability and more effective operation to serve beneficiaries.

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 (and therefore local authority) ability to continue to fund rough sleeper services having had much unplanned expenditure themselves due to the pandemic and cost of living crisis.

Plans for future periods

The issues of homelessness and rough sleeping continue to be among the big issues of our time to end and prevent. SMART CJS has seen growth in demand and this continues to increase because of factors such as the latest cost of living crisis. The priority for development is growth in rough sleeper and homeless provision in areas SMART CJS already operates in or areas adjacent to its current staff bases.

It is also looking at ways to develop new services based on supported accommodation services - like tenancy sustainment for complex or challenging tenants in the private rented or affordable social housing sectors. Looking forward, SMART CJS's ability to meet the needs of those it sets out to help will continue to be a priority.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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.

Governance from the Board of Trustees

Since we last reported, two Trustees resigned and one new Trustee was recruited. The total number on the Board in 2023 is six. SMART continues to operate a rolling programme of recruitment to encourage a diverse Board, bringing a rich mix of cultures, approaches, skills and experience (some of it lived, directly and indirectly) to the charity.

Shortly after the period covered in these accounts Anita McCallum, Chief Executive Officer (CEO), decided after nearly 5 years' leading the charity, that it was the right time for her to leave to pursue new opportunities within the charitable sector. Anita's last day with the charity was 30 April 2023. The board voted unanimously to promote Deputy CEO Jen Robus into the role of CEO and we have been delighted with the leadership she has shown during this period of transition.

Recruitment and appointment of new 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 annual 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 recruited new Trustees in 2022

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.

Induction and training of new 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.

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.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pay policy for senior staff

The Trustees consider the Board of Trustees and the Chief Executive and 2 members of the 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 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 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust'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.

Related parties

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.

In 2022/23 the board was alerted to a potential case of misuse of a company credit card and the case was referred to the CPS for review. The charity reviewed its petty cash and debit card policies and installed a software system to monitor expenditure. There was an instruction from Trustees that the charity should change auditors and that change of auditors has now taken place.

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. These elements allow for concerns and risks to be identified, investigated and key learning implemented across the organisation, ensuring a consistent quality in service delivery and continuous improvement culture.

In 2022/2023, risks were listed according to Charity Commission Statement of Recommended Practice (SORP) principles, analysing and logging risk according to key categories like strategy, financial, operations, reputation, people, legal et al.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03398982 (England and Wales)

Registered Charity number

1069087

Registered office

Salisbury House
Station Road
Cambridge
Cambridgeshire
CB1 2LA

**Report of the Trustees
for the Year Ended 31 March 2023**

Trustees

David Fergus Crombie
Adrian Davey (appointed 5.7.23)
Ralph Mark Dennison (resigned 28.4.22)
Kelly Louise Hawley (appointed 26.1.23) (resigned 2.11.23)
Sarah Ladbroke (resigned 7.7.23)
Keara O'Connor
Jono Poon (resigned 13.10.22)
Susan Helen Prytherch
Dr Fatima Sogiawalla (resigned 7.7.23)
Chantal Thomas (resigned 19.10.22)
Sallie Stanton (appointed 1.9.23)

Company Secretary

Jennifer Suzanne Robus

Auditors

George Hay Partnership LLP
Chartered Accountants
Statutory Auditor
Brigham House
High Street
Biggleswade
Bedfordshire
SG18 0LD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Smart Criminal Justice Services Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which 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 those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

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

**Report of the Trustees
for the Year Ended 31 March 2023**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 19 December 2023 and signed on the board's behalf by:

Susan Helen Prytherch - Trustee

Report of the Independent Auditors to the Members of Smart Criminal Justice Services Ltd

Opinion

We have audited the financial statements of Smart Criminal Justice Services Ltd (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 2023 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 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 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of Smart Criminal Justice Services Ltd

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Report of the Independent Auditors to the Members of Smart Criminal Justice Services Ltd

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, we considered the following:

1. The nature of the industry and sector, control environment and business performance.
2. Key drivers for the remuneration policies, bonus levels and performance targets.
3. Appropriate use of and safeguarding of charity funds.
4. Enquiries with management about their own identification and assessment of the risks of irregularities.
5. The matters discussed among the audit team regarding how and where fraud might occur and fraud indicators.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in terms of misstatements in the financial statements was in relation to grant recognition and duration. In common with all audits under ISA's (UK), we are also required to perform specific procedures to respond to the risk of management override. We have also been made aware of an instance of fraudulent activity within the charity's credit card expenditure, which has highlighted misappropriation of assets in terms of fraudulent payments as a focus area.

In addition we considered the legal and regulatory framework that the company operates in, focusing on provisions of these law and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. Key laws considered include the UK Companies Act and UK Tax Legislation.

We also considered those laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty, these include health & safety legislation and employment law.

Audit response to risks identified:

To address the risk of the potential misstatement of funding and grant income we, on a sample basis, reviewed cut-off, the charity's entitlement to the funds and its compliance with any terms or restrictions associated therewith.

Testing was undertaken on the completeness of liabilities to include both substantive and analytical procedures. Standard procedures were used to test management override including the review of year end journals and whether the judgments made in making accounting estimates are indicative of potential bias.

To cover the assessed risks in relation to fraudulent payments, we ensure that transactions are conducted in line with the company's authority matrix, together with a review of expenses in the Statement of Financial Activities to ensure that they are genuine expenses. We also perform analytical procedures to identify any unusual or unexpected relationship that may indicate risks of material misstatement due to fraud.

We remained alert to any indications of fraud or non-compliance throughout the entire audit process.

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

**Report of the Independent Auditors to the Members of
Smart Criminal Justice Services Ltd**

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Colin Airey FCCA (Senior Statutory Auditor)
for and on behalf of George Hay Partnership LLP
Chartered Accountants
Statutory Auditor
Brigham House
High Street
Biggleswade
Bedfordshire
SG18 0LD

19 December 2023

**Statement of Financial Activities
for the Year Ended 31 March 2023**

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	6,203	6,203	56,643
Charitable activities	4				
Homelessness, substance misuse and domestic abuse		1,609,350	84,983	1,694,333	2,062,403
Earned & client income		38,709	-	38,709	53,590
Investment income	3	933	-	933	502
Other income		-	-	-	(2,864)
Total		<u>1,648,992</u>	<u>91,186</u>	<u>1,740,178</u>	<u>2,170,274</u>
EXPENDITURE ON					
Raising funds	5	1,253	-	1,253	536
Charitable activities	6				
Homelessness, substance misuse and domestic abuse		<u>1,991,526</u>	<u>91,186</u>	<u>2,082,712</u>	<u>2,191,332</u>
Total		<u>1,992,779</u>	<u>91,186</u>	<u>2,083,965</u>	<u>2,191,868</u>
NET INCOME/(EXPENDITURE)		(343,787)	-	(343,787)	(21,594)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,033,408	-	1,033,408	1,055,002
TOTAL FUNDS CARRIED FORWARD		<u><u>689,621</u></u>	<u><u>-</u></u>	<u><u>689,621</u></u>	<u><u>1,033,408</u></u>

Balance Sheet
31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
CURRENT ASSETS					
Debtors	12	120,913	-	120,913	148,564
Cash at bank and in hand		633,618	-	633,618	1,002,182
		<u>754,531</u>	<u>-</u>	<u>754,531</u>	<u>1,150,746</u>
CREDITORS					
Amounts falling due within one year	13	(64,910)	-	(64,910)	(102,338)
		<u>689,621</u>	<u>-</u>	<u>689,621</u>	<u>1,048,408</u>
NET CURRENT ASSETS					
		<u>689,621</u>	<u>-</u>	<u>689,621</u>	<u>1,048,408</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>689,621</u>	<u>-</u>	<u>689,621</u>	<u>1,048,408</u>
PROVISIONS FOR LIABILITIES	15	-	-	-	(15,000)
		<u>689,621</u>	<u>-</u>	<u>689,621</u>	<u>1,033,408</u>
NET ASSETS		<u>689,621</u>	<u>-</u>	<u>689,621</u>	<u>1,033,408</u>
FUNDS	16				
Unrestricted funds				689,621	1,033,408
TOTAL FUNDS				<u>689,621</u>	<u>1,033,408</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2023 and were signed on its behalf by:

Susan Helen Prytherch - Trustee

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	(354,497)	(120,107)
Movement in dilapidation provision		(15,000)	-
Net cash used in operating activities		<u>(369,497)</u>	<u>(120,107)</u>
Cash flows from investing activities			
Interest received		<u>933</u>	<u>502</u>
Net cash provided by investing activities		<u>933</u>	<u>502</u>
Change in cash and cash equivalents in the reporting period			
		<u>(368,564)</u>	<u>(119,605)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,002,182</u>	<u>1,121,787</u>
Cash and cash equivalents at the end of the reporting period		<u><u>633,618</u></u>	<u><u>1,002,182</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23 £	31.3.22 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(343,787)	(21,594)
Adjustments for:		
Depreciation charges	-	182
Interest received	(933)	(502)
Decrease/(increase) in debtors	27,651	(30,138)
Decrease in creditors	(37,428)	(68,055)
Net cash used in operations	<u>(354,497)</u>	<u>(120,107)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	1,002,182	(368,564)	633,618
	<u>1,002,182</u>	<u>(368,564)</u>	<u>633,618</u>
Total	<u>1,002,182</u>	<u>(368,564)</u>	<u>633,618</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

Donations are recognised when the Charity has an entitlement to the donation, it is probable that the economic benefit will flow to the Charity 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 Charity has entitlement, when any conditions of the contract have been met, it is probable the economic benefit will flow to the Charity and the amounts are measurable. If the Charity is not yet entitled, amounts are deferred.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been 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 Charity 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 Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Tangible fixed assets

Tangible fixed assets costing £100 or more are capitalised.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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.

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activity.

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	6,203	56,643
	<u> </u>	<u> </u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Investment Income	933	502
	<u>933</u>	<u>502</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.23	31.3.22
	£	£
Charitable Activities	1,694,333	2,062,403
Charitable Activities	38,709	53,590
	<u>1,733,042</u>	<u>2,115,993</u>

5. RAISING FUNDS**Raising donations and legacies**

	31.3.23	31.3.22
	£	£
Raising Funds	1,253	536
	<u>1,253</u>	<u>536</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Homelessness, substance misuse and domestic abuse	1,600,094	482,618	2,082,712
	<u>1,600,094</u>	<u>482,618</u>	<u>2,082,712</u>

7. SUPPORT COSTS

	Management £
Homelessness, substance misuse and domestic abuse	482,618
	<u>482,618</u>

Support costs, included in the above, are as follows:

	31.3.23	31.3.22
	Homelessness, substance misuse and domestic abuse £	Total activities £
Wages	202,697	164,790
Telephone	20,951	23,706
Postage and stationery	7,349	4,708
Audit and Accountancy fees	43,653	40,565
Promotion	10,964	849
Recruitment	7,349	11,902
Premises	84,838	173,701
	<u>377,801</u>	<u>420,221</u>
Carried forward	377,801	420,221

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

7. SUPPORT COSTS - continued

	31.3.23 Homelessness, substance misuse and domestic abuse £	31.3.22 Total activities £
Brought forward	377,801	420,221
Equipment Hire	12,897	12,510
Computer Expenses	46,160	46,508
Other (incl Covid-19 expenses)	2,847	2,033
Legal and Professional	42,913	144,508
Depreciation of tangible and heritage assets	-	182
	<u>482,618</u>	<u>625,962</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

9. STAFF COSTS

	31.3.23 £	31.3.22 £
Wages and salaries	1,438,245	1,407,986
Social security costs	116,780	113,905
Other pension costs	56,759	56,613
	<u>1,611,784</u>	<u>1,578,504</u>

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

	31.3.23	31.3.22
Chief executive	1	1
Management and administration	10	10
Client-facing staff	53	55
	<u>64</u>	<u>66</u>

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

	31.3.23	31.3.22
£60,001 - £70,000	<u>1</u>	<u>1</u>

The total amount of employee benefits received by the key management personnel is £202,697 (2022: £176,636). The Charity considers its key management personnel comprise the Board of Trustees, the Chief Executive and the Senior Management Team.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	56,643	56,643
Charitable activities			
Homelessness, substance misuse and domestic abuse	1,967,597	94,806	2,062,403
Earned & client income	53,590	-	53,590
Investment income	502	-	502
Other income	(2,864)	-	(2,864)
Total	<u>2,018,825</u>	<u>151,449</u>	<u>2,170,274</u>
EXPENDITURE ON			
Raising funds	536	-	536
Charitable activities			
Homelessness, substance misuse and domestic abuse	<u>2,039,033</u>	<u>152,299</u>	<u>2,191,332</u>
Total	<u>2,039,569</u>	<u>152,299</u>	<u>2,191,868</u>
NET INCOME/(EXPENDITURE)	(20,744)	(850)	(21,594)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,054,152	850	1,055,002
TOTAL FUNDS CARRIED FORWARD	<u><u>1,033,408</u></u>	<u><u>-</u></u>	<u><u>1,033,408</u></u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2022 and 31 March 2023	<u>64,977</u>
DEPRECIATION	
At 1 April 2022 and 31 March 2023	<u>64,977</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>-</u></u>
At 31 March 2022	<u><u>-</u></u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	93,102	100,142
Other debtors	-	1,384
Prepayments and accrued income	27,811	47,038
	<u>120,913</u>	<u>148,564</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	15,123	18,215
Social security and other taxes	23,094	33,049
Other creditors	11,766	6,592
Accruals and deferred income	14,927	44,482
	<u>64,910</u>	<u>102,338</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 totalling £11,592 (2022: £6,592) were payable to the fund at the balance sheet date and are included in other creditors.

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23	31.3.22
	£	£
Within one year	-	12,800
Between one and five years	-	33,067
	<u>-</u>	<u>45,867</u>

15. PROVISIONS FOR LIABILITIES

	31.3.23	31.3.22
	£	£
Provisions	-	15,000
	<u>-</u>	<u>15,000</u>

The provision in relation to dilapidations of a leased property was released during the year as the lease was terminated and related costs fell due.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

16. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	1,033,408	(343,787)	689,621
TOTAL FUNDS	<u>1,033,408</u>	<u>(343,787)</u>	<u>689,621</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,648,992	(1,992,779)	(343,787)
Restricted funds			
Prebend Centre Grants	83,475	(83,475)	-
Donations - Bedford	299	(299)	-
Donations - Smart Howard House	244	(244)	-
Support Services	69	(69)	-
Norman Russel House	3,599	(3,599)	-
Milton Keynes - Drayton Road	3,500	(3,500)	-
	<u>91,186</u>	<u>(91,186)</u>	<u>-</u>
TOTAL FUNDS	<u>1,740,178</u>	<u>(2,083,965)</u>	<u>(343,787)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	1,054,152	(20,744)	1,033,408
Restricted funds			
OXPAT	850	(850)	-
TOTAL FUNDS	<u>1,055,002</u>	<u>(21,594)</u>	<u>1,033,408</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,018,825	(2,039,569)	(20,744)
Restricted funds			
OXPAT	4,823	(5,673)	(850)
Prebend Centre Grants	5,000	(5,000)	-
Donations - Bedford	715	(715)	-
Donations - Milton Keynes	2,200	(2,200)	-
Donations - Prebend Centre	46,470	(46,470)	-
Donations - Smart Howard House	1,025	(1,025)	-
Winter Transformation Fund	84,983	(84,983)	-
Support Services	6,142	(6,142)	-
Norman Russel House	91	(91)	-
	<u>151,449</u>	<u>(152,299)</u>	<u>(850)</u>
TOTAL FUNDS	<u><u>2,170,274</u></u>	<u><u>(2,191,868)</u></u>	<u><u>(21,594)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	1,054,152	(364,531)	689,621
Restricted funds			
OXPAT	850	(850)	-
	<u>1,055,002</u>	<u>(365,381)</u>	<u>689,621</u>
TOTAL FUNDS	<u><u>1,055,002</u></u>	<u><u>(365,381)</u></u>	<u><u>689,621</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,667,817	(4,032,348)	(364,531)
Restricted funds			
OXPAT	4,823	(5,673)	(850)
Prebend Centre Grants	88,475	(88,475)	-
Donations - Bedford	1,014	(1,014)	-
Donations - Milton Keynes	2,200	(2,200)	-
Donations - Prebend Centre	46,470	(46,470)	-
Donations - Smart Howard House	1,269	(1,269)	-
Winter Transformation Fund	84,983	(84,983)	-
Support Services	6,211	(6,211)	-
Norman Russel House	3,690	(3,690)	-
Milton Keynes - Drayton Road	3,500	(3,500)	-
	<u>242,635</u>	<u>(243,485)</u>	<u>(850)</u>
TOTAL FUNDS	<u><u>3,910,452</u></u>	<u><u>(4,275,833)</u></u>	<u><u>(365,381)</u></u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	6,203	56,643
Investment income		
Investment Income	933	502
Charitable activities		
Charitable Activities	1,733,042	2,115,993
Other income		
Other Incoming Resources	-	(2,864)
Total incoming resources	<u>1,740,178</u>	<u>2,170,274</u>
EXPENDITURE		
Raising donations and legacies		
Raising Funds	1,253	536
Charitable activities		
Wages	1,235,548	1,243,196
Social security	116,780	113,905
Pensions	56,759	56,613
Insurance	9,747	18,382
Sundries	136,274	133,274
Subcontractor costs	32,532	-
Fraudulent activity	12,454	-
	<u>1,600,094</u>	<u>1,565,370</u>
Support costs		
Management		
Wages	202,697	164,790
Telephone	20,951	23,706
Postage and stationery	7,349	4,708
Audit and Accountancy fees	43,653	40,565
Promotion	10,964	849
Recruitment	7,349	11,902
Premises	84,838	173,701
Equipment Hire	12,897	12,510
Computer Expenses	46,160	46,508
Other (incl Covid-19 expenses)	2,847	2,033
Legal and Professional	42,913	144,508
Fixtures and fittings	-	182
	<u>482,618</u>	<u>625,962</u>
Total resources expended	<u>2,083,965</u>	<u>2,191,868</u>
Net expenditure	<u><u>(343,787)</u></u>	<u><u>(21,594)</u></u>