

REGISTERED COMPANY NUMBER: 03647928 (England and Wales)
REGISTERED CHARITY NUMBER: 1074453

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023
FOR
TRAIL-BLAZERS MENTORING LTD**

Gibbons Mannington & Phipps LLP
Chartered Accountants
Landgate Chambers
24 Landgate
Rye
East Sussex
TN31 7LJ

TRAIL-BLAZERS MENTORING LTD

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FOR THE YEAR ENDED 31ST DECEMBER 2023**

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TRAIL-BLAZERS MENTORING LTD

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST DECEMBER 2023

TRUSTEES

C A Kemp (Chair)
N A Janjua (resigned 22/4/2023)
T Pauk
P R F Simpson (Treasurer) (resigned 22/4/2023)
R James-Ford
D Hall
J Danton
C F Lofters (appointed 26/1/2023)
J Kitchin (Treasurer) (appointed 22/4/2023)
D Troman (appointed 22/4/2023)

COMPANY SECRETARY

P R F Simpson

REGISTERED OFFICE

Landgate Chambers
Rye
East Sussex
TN31 7LJ

**REGISTERED COMPANY
NUMBER**

03647928 (England and Wales)

REGISTERED CHARITY NUMBER 1074453

INDEPENDENT EXAMINER

Gibbons Mannington & Phipps LLP
Chartered Accountants
Landgate Chambers
24 Landgate
Rye
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TN31 7LJ

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

The Trustees (who are also the directors of Trailblazers 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare a financial statement for each financial year which gives 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 the financial statement, 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;
- 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.

Approved by order of the Board of Trustees on 22nd April 2024 and signed on its behalf by:

Carina Kemp - Chair

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 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 31st December 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

Objectives and aims

Trailblazers objectives are:

The rehabilitation of persons who are or have been subject to a criminal charge and are serving a custodial sentence in one of Her Majesty's Prisons or Young Offenders Institutions, by means of educational training, mentoring or guidance provided to such persons so as to assist in their rehabilitation into the wider community.

Aims:

- To reduce the likelihood of re-offending and/or the seriousness of re-offending by preparing offenders for release
- To ease the difficult period of transition of the offender back into society following release from prison
- To empower the young person to make positive choices by developing the offender's self-esteem, confidence, education and knowledge of opportunities
- To enhance the resettlement services offered by HMPS by using volunteer mentors to support offenders on release.

Public benefit

The Trustees, having reviewed the main activities undertaken by Trailblazers to further its charitable purposes for the public benefit, conclude that public benefit continues to be derived from Trailblazers activities. Trailblazers reduces the likelihood of re-offending by preparing offenders for release and supporting them during a transitional period post-release. Trailblazers consistent success in achieving significantly lower re-offending figures as compared with the national average (see below) provides a tangible public benefit. Reduction in crime leads to safer communities and fewer victims of offending behaviour, and in addition contributes to a reduction in the costs to the public purse associated with policing, court processes and holding an individual in a prison or young offenders institution.

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Volunteers

Volunteer mentors are trained to listen, advise, support and challenge their mentees, and help them plan their future after release from custody.

Mentoring is primarily intended to take place inside the prison in the final six months of the mentee's sentence and continue post-release for up to a further nine months.

Mentoring consists of a structured programme delivered through the use of toolsets which comprise Introduction to Mentoring, Better Relationships, Asserting Myself, Money Matters, Getting to Work, and Through the Gate.

There are no general volunteers.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the twelve months covered by this report, Trailblazers Mentoring (Trailblazers) continued to offer mentoring and practical support to male prisoners aged 18-35, both in prison and post-release for up to 18 months in total.

Our aim is to educate, encourage and inspire the men to change their future and make a positive impact in their communities.

We achieve this through intensive weekly, one-to-one mentoring sessions, delivered by a large cohort of volunteers, and accompanying practical assistance, including support to move into Employment Training and Education (ETE). Our focus is to ensure that essential elements for re-settlement are in place at the time of release and during the critical early months post-release.

Four core areas of focus in 2023:

1. Maintaining the delivery of tailored one-to-one mentoring and practical support to men who are committed to rebuilding their lives after leaving prison and helping them navigate life in the community in the critical months once 'Through the gate'. Demand for Trailblazer's mentoring services by men in prison seeking our support has continued to rise during 2023 reflecting our reputation for providing valued, relevant, and tailored help. Referrals come mainly through self-referrals based on word of mouth, but also from prison staff and charities working alongside us. The unique and powerful combination of long term, intensive mentoring and practical help has been invaluable to the men being mentored and covers:

- Weekly tailored 1-1 mentoring for up to 6 months pre-release
- Pre employment preparation workshops offered in conjunction with our corporate partners and/or 1-1 individual employment support pre- and post-release from prison
- Individual action plans to prepare for release and setting up essentials for life outside prison
- Release care packages (smartphones to contact probation; apply for jobs; and keep in contact with families); applying for benefits; securing ID; providing access to banking; the provision of travel cards; food and clothing vouchers; support to arrange safe accommodation
- Community mentoring for up to 12 months post release with individual action plans being reviewed regularly
- Career guidance and support to access ETE often in conjunction with partners in both corporate and charitable sectors.

2. Building new partnerships with a variety of organisations aimed at increasing employment and training opportunities for prison leavers and developing referral pathways with specialist support services for the men (e.g. health, housing):

- Bridge Recruitment, London - providing tailored support for mentees pre and post release from prison (CV writing, interview preparation, job opportunities);
- Severn Trent PLC, West Midlands - employees joined as volunteer mentors, delivering workshops in custody with the aim of mentees going into the company's learning academies with the end goal of employment. They also deliver employability workshops in the prisons to upskill the mentees and help them get 'work ready' prior to release;
- XO Bikes- mentees recruited to repair and resell bikes in London;
- SUITSME Partnership created with the only e-money service allowing accounts to be setup by staff pre-release with Trailblazers staff providing charity endorsement to verify mentees;
- New Leaf CIC Employment provider set up by ex-offenders for ex-offenders;
- Brighter School of Teaching - Level 5 counselling students providing 1-1 therapeutic support to mentees pre- and post-release from prison;
- Sustainable Tech 4 Good - providing low-cost reconditioned phones and other tech devices for the mentees;
- CGI UK - developed digital skills workshops for use with mentees in the prisons.

3. Increasing Trailblazers capabilities by developing our people and strengthening policies, procedure, and systems resulting in a more robust operational infrastructure:

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

- During the year team resourcing was developed further with the appointment of a Project Coordinator in the West Midlands, enabling a new mentoring service to be established at HMP Featherstone;
- A Finance and Administration Officer was also recruited with accountancy qualifications, further strengthening financial management;
- Two new trustees have been recruited and are undergoing induction training ahead of their anticipated appointment in 2024;
- The Board has also introduced a Fellows role designed to encourage people 'new to Boards' to fully experience being a trustee without having to commit at the outset. As a result, two Fellows have joined Trailblazers, further strengthening the team.

4. Raising the charity's profile which has included updating the charity's website and the significant increase in the use of social media to promote its activities and achievements. For example, during the year a series of short videos were produced to assist with the recruitment of new volunteer mentors and to attract new supporters.

Continued Success

Trailblazers' key achievements in 2023:

- 158 men mentored and supported;
- 104 new mentees were mentored through 1562 mentoring sessions amounting to over 2300 mentoring hours;
- 98 mentees were successfully released from prison and have not re-offended;
- 95% of mentees fulfilled their licence conditions;
- 294 'Through the Gate' care packages were provided (smart phones; travel, food and clothing vouchers) to 107 mentees;
- 65 mentors were supported providing invaluable weekly mentoring both face to face and remotely in prisons and the community;
- 38 new mentors were recruited, onboarded, and received 6 sessions of intensive training (totalling 24hrs). Topics covered included safeguarding, trauma informed practice, unconscious bias and mentoring people with complex needs;
- 16 men achieved mentoring qualifications at HMP Oakwood as part of the peer-to-peer mentoring programme;
- 20 mentees undertook employment workshops;
- 56% of mentees in the community benefited from education, training and employment opportunities;
- 80% men being released from prison were supported in securing safe, permanent accommodation;
- All mentees said they felt prepared for release from custody;
- 80% feel more positive about the future;
- Over 80% have a better understanding of how their experiences have shaped their lives;
- Over 80% have greater independence, self-reliance and feelings of self-worth;
- Over 80% said they are very likely to recommend Trailblazers;
- 30% said they would like to become a mentor in the future.

Trailblazer's work is actively supporting the government's aim to reduce re-offending and reduce the impact of crime on society. For those who had access to Trailblazers, the re-offending rate after the first year was 9%, compared with a national rate of between 24.9% - 55.5 % - note 1 (depending on the length of prison sentence). This track record supports:

- Individuals achieving independent fulfilling lives with hope for the future, combined with higher self-esteem and confidence;
- The building of safer communities;
- Improving social mobility opportunities;
- Reducing future victims of crime;
- Saving c. £2.48m for the Exchequer annually. Trailblazer's support typically costs £2.5k/mentee compared to over £46k p.a. for each person held in custody.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

In 2023 Trailblazers was awarded the Gold Standard in the Second Chances Charter by the West Midlands Police and Crime Commissioner. The award was made for Trailblazers being an inclusive employer and demonstrating it had processes in place to ensure job descriptions and recruitment processes did not deter candidates with lived experience being able to apply and that there was appropriate support in place if they secured a position.

Our team continue to actively engage with their local communities, including local volunteering agencies, corporates, universities, colleges, and community groups to recruit a cross section of volunteer mentors with a diverse set of skills, experience knowledge and cultural awareness. The trustees thank all these organisations for their tremendous commitment to Trailblazers and are extremely grateful for this support.

The Trustees would like to thank all staff and volunteers for their tremendous hard work, dedication and making such a significant and positive impact on the young people committed to rebuilding their lives having experienced time in prison.

The Board of Trustees and staff at Trailblazers are enormously grateful to all funders whose generosity enables the team of volunteers and staff to continue to provide an essential lifeline to many prison leavers supporting them in rebuilding their lives for themselves, their families and communities.

Note 1: Ministry of Justice re-offending rate data January 2024.

FINANCIAL REVIEW

Financial position

The finances of the charity continue to be stable with a surplus of £1,760 compared with a surplus in 2022 of £26,768. Reserves amounted to £73,879.

The cash position remained strong at £277,605, an increase from the previous year at £237,923.

The financial position is reviewed monthly by the Chair, Treasurer and CEO and by the Trustees at quarterly board meetings.

Principal funding sources

All pre-existing grantors have continued to fulfil their funding promises and new applications for funding to trusts and foundations were increased in response to the tightening funding conditions within the grant-making sector.

Key funders include:

- Lloyds Bank Foundation
- CABWI
- The Charles Hayward Foundation
- The Dulverton Trust
- The Swire Charitable Trust
- The Triangle Trust
- Garfield Weston Foundation

As part of the charity's three-year Business Plan the charity continued to diversify potential sources of income with generous funding provided by corporates (Severn Trent PLC and Brigstock Ltd) and pro-bono support (Clifford Chance LLP, the Lloyds Bank Foundation, and the Media Trust).

Investment policy and objectives

Trailblazer's funds are largely due to be used in the short term, so the Trustees consider that long term investment is inappropriate. Funds not required immediately are therefore held in a deposit account or short-term bonds.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

FINANCIAL REVIEW

Reserves policy

Trailblazer's reserves policy is to have unrestricted funds - that is, not committed or invested in tangible fixed assets - in reserve to cover at least six months of expenditure to deal with any significant decrease in funding.

The level of unrestricted reserves on 31 December 2023 was £73,879 (2022 £72,119) comparable to two months expenditure. This level of reserves is greatly mitigated by cash in hand of £277,605 representing grants already received in respect of expenditure planned for 2024 and covers at least six months expenditure.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

A new Business Plan will be developed during 2024 and will focus on refining and building on the 5 key areas of the current plan:

- Expansion of services within the current geographical areas of service provision and to new areas when opportunities present (funding dependent);
- People development for staff, volunteers, trustees and Fellows;
- Increasing the number of partnerships - both in prison and the community, with a key priority being organizations that can offer ETE opportunities;
- Sustainability (financial, operational, and environmental);
- Improved processes and systems and raising the charity's external profile.

The current business plan has allowed Trailblazers to enter 2024 as a strong and resilient organisation able to move forward with ambition and confidence in developing and delivering a more sophisticated programme of service delivery.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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Trail-Blazers Mentoring Ltd - (also known as Trailblazers), is a charitable company limited by guarantee without share capital - incorporated on 12 October 1998 and registered as a charity on 1 March 1999. The company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association. Amended Articles of Association were adopted on 23rd September 2020. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Charity constitution

Members of the Board of Trustees, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1 of this document.

In accordance with company law, as the Company's Directors, we confirm that so far as we are aware, there is no relevant information of which the Company's independent examiners are unaware; and as the Directors of the Company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's independent examiners are aware of that information.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trailblazers aims to have not less than four Trustees at any one time, up to a maximum of ten. As soon as a serving Trustee declares an intention to resign, the Trustees will endeavour to recruit a new Trustee. From time to time the Board reviews the skills and diversity of existing Trustees and identifies gaps. Trustees are recruited by means of personal approach and wider advertising via the national press and specialist Third Sector publications. The Board are currently seeking to include more trustees with lived experience and involvement in the criminal justice system, and developing the charity's external profile.

Organisational structure

- Day to day responsibility is delegated to the CEO who ensures that the charity delivers the services specified; financial management, legal compliance, human resources, fundraising and marketing, public relations and risk management. The CEO is supported by the Board of Trustees who meet quarterly as a Board to contribute to the strategic direction and policy of the Charity. The Board of Trustees and CEO agree annual organisational objectives and a Personal Development Plan for the CEO in December with bi-monthly supervision meetings conducted by the Chair with the CEO. Additionally, the CEO and Chair meet informally weekly. The CEO has peer support through a sponsored Charities' CEO forum.
- The Service Delivery Director is responsible for overseeing all projects activities. This including supporting and supervising the Project Managers, ensuring KPIs and outcomes are achieved and has a key role in the strategic planning and development of services and partnerships;
- Each project is led by a Project Manager who is based at that prison. The Project Manager has day to day responsibility for the management of that project including recruitment and training of mentors and potential mentees, matching of mentors to mentees, meeting targets and effective data management and record keeping. In 2023, Project Managers were in place at HMPYOI Brinsford; HMP Brixton; HMP Aylesbury; HMP Featherstone and HMPYOI Isis;
- Volunteer and partner recruitment is provided to the team by the Volunteer and Partnership Coordinator;
- Community Support Workers provide intensive practical support to mentees in the six weeks prior to release and in the community after release;
- Trailblazers also employs a Finance & Administration Officer who manages all the operational and finance functions of the charity. Monthly management accounts are produced with the help of the Treasurer.

Induction and training of new trustees

After the initial approach the prospective Trustee will meet with the Chair and another Trustee, followed by a meeting with the CEO. These meetings will include a full briefing on the legal and financial responsibilities of Trustees, and a thorough explanation of the work of the charity. The prospective Trustee will receive:

- The Memorandum and Articles of Association;
- The latest published Annual Accounts and Trustees' Report;
- A current copy of the management accounts, which includes the year's budget;
- Minutes of the previous three Board meetings;
- A copy of the latest relevant Charity Commission guidance for Trustees;
- Safeguarding Policy and online training in safeguarding.

After attending a Board meeting as an observer, a decision is made by the Trustees, in consultation with the prospective Trustee and the CEO as to suitability. The formal vote to elect a new Trustee will take place at the next appropriate Board meeting and will be ratified at the next Annual General Meeting. On ratification by the board, each new trustee is provided with a formal induction.

Approved by order of the board of trustees on 1st May 2024 and signed on its behalf by:

C A Kemp - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TRAIL-BLAZERS MENTORING LTD

Independent examiner's report to the trustees of Trail-Blazers Mentoring Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr K. Luck

Gibbons Mannington & Phipps LLP
Chartered Accountants
Landgate Chambers
24 Landgate
Rye
East Sussex
TN31 7LJ

1st May 2024

TRAIL-BLAZERS MENTORING LTD
**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

		Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	70,605	2,000	72,605	136,921
Charitable activities	4				
Mentoring of young offenders		187,897	162,635	350,532	300,667
Investment income	3	2,718	-	2,718	655
Other income		1,500	-	1,500	400
Total		<u>262,720</u>	<u>164,635</u>	<u>427,355</u>	<u>438,643</u>
EXPENDITURE ON					
Raising funds		-	20,448	20,448	37,707
Charitable activities	5				
Mentoring of young offenders		-	405,147	405,147	374,168
Total		-	<u>425,595</u>	<u>425,595</u>	<u>411,875</u>
NET INCOME/(EXPENDITURE)		262,720	(260,960)	1,760	26,768
Transfers between funds	14	(260,960)	260,960	-	-
Net movement in funds		1,760	-	1,760	26,768
RECONCILIATION OF FUNDS					
Total funds brought forward		72,119	-	72,119	45,351
TOTAL FUNDS CARRIED FORWARD		<u>73,879</u>	-	<u>73,879</u>	<u>72,119</u>

The notes form part of these financial statements

TRAIL-BLAZERS MENTORING LTD (REGISTERED NUMBER: 03647928)

**BALANCE SHEET
31ST DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
CURRENT ASSETS					
Debtors	12	488	-	488	2,551
Cash at bank		196,312	81,293	277,605	237,923
		196,800	81,293	278,093	240,474
CREDITORS					
Amounts falling due within one year	13	(122,921)	(81,293)	(204,214)	(168,355)
NET CURRENT ASSETS		73,879	-	73,879	72,119
TOTAL ASSETS LESS CURRENT LIABILITIES		73,879	-	73,879	72,119
NET ASSETS FUNDS	14	73,879	-	73,879	72,119
Unrestricted funds				73,879	72,119
TOTAL FUNDS				73,879	72,119

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

BALANCE SHEET - continued
31ST DECEMBER 2023

These financial statements have been prepared in accordance with the provisions of the charitable small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 1st May 2024 and were signed on its behalf by:

C A Kemp - Trustee

J Kitchen - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 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.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

Grants are only included in the accounts when the income recognition criteria are met. In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

Expenditure

Expenditure is recognised in the period in which they are incurred, these include attributable VAT which cannot be recovered.

Expenditure is all allocated to the primary activity of mentoring, except as stated below:

Fundraising and publicity costs are those incurred in generating income and promoting the company's profile.

Governance costs are those incurred exclusively on the administration of the company and its compliance with statutory requirements which comprise the cost of auditing and accounting.

Support costs are those incurred directly in support of expenditure on the objects of the company.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

Donated goods and services

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	<u>72,605</u>	<u>136,921</u>

Included in Donations is an amount of £24,996 (2021 - £24,996) for donated facilities and services provided by each of the 4 prisons that the charity serves. It is a best estimate of the value of the facilities and services provided. The corresponding expenditure is included in the direct costs of the charitable activity of mentoring young offenders.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>2,718</u>	<u>655</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Grants	<u>350,532</u>	<u>300,667</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Grant making institutions	<u>350,532</u>	<u>300,667</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Mentoring of young offenders	<u>387,449</u>	<u>17,698</u>	<u>405,147</u>

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Mentoring of young offenders	<u>15,330</u>	<u>58</u>	<u>2,310</u>	<u>17,698</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Independent examiners' remuneration	<u>2,310</u>	<u>2,052</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	294,752	264,059
Social security costs	22,581	21,463
Other pension costs	5,311	5,184
	<u>322,644</u>	<u>290,706</u>

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

	2023	2022
	<u>10</u>	<u>9</u>
Employees		

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	133,928	2,993	136,921
Charitable activities			
Mentoring of young offenders	161,362	139,305	300,667
Investment income	655	-	655
Other income	400	-	400
Total	<u>296,345</u>	<u>142,298</u>	<u>438,643</u>
EXPENDITURE ON			
Raising funds	-	37,707	37,707
Charitable activities			
Mentoring of young offenders	-	374,168	374,168
Total	<u>-</u>	<u>411,875</u>	<u>411,875</u>
NET INCOME/(EXPENDITURE)	296,345	(269,577)	26,768

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
Transfers between funds	(269,578)	269,578	-
Net movement in funds	26,767	1	26,768
RECONCILIATION OF FUNDS			
Total funds brought forward	45,351	-	45,351
TOTAL FUNDS CARRIED FORWARD	<u>72,118</u>	<u>1</u>	<u>72,119</u>

11. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2023 and 31st December 2023	<u>8,039</u>
DEPRECIATION	
At 1st January 2023 and 31st December 2023	<u>8,039</u>
NET BOOK VALUE	
At 31st December 2023	<u>-</u>
At 31st December 2022	<u>-</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	-	1,335
Prepayments and accrued income	<u>488</u>	<u>1,216</u>
	<u>488</u>	<u>2,551</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Social security and other taxes	6,397	7,338
Other creditors	5,691	4,705
Accruals and deferred income	192,126	156,312
	<u>204,214</u>	<u>168,355</u>

The charity's income is almost entirely grant based which are applied for on an annual (or in one case - 24 months) basis to provide mentoring for the ensuing 12 months. It therefore seems appropriate for the accounting policy to reflect this. It also enables the accounts to more accurately reflect the position by matching income and expenditure.

14. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General fund	72,119	262,720	(260,960)	73,879
Restricted funds				
Aylesbury	-	(40,885)	40,885	-
Brinsford	-	(84,095)	84,095	-
ISIS	-	(72,838)	72,838	-
Wandsworth	-	(3,060)	3,060	-
Brixton	-	(64,838)	64,838	-
Severn Trent	-	(20,387)	20,387	-
DPA	-	28,590	(28,590)	-
Featherstone	-	(3,447)	3,447	-
	-	(260,960)	260,960	-
TOTAL FUNDS	<u>72,119</u>	<u>1,760</u>	<u>-</u>	<u>73,879</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	262,720	-	262,720
Restricted funds			
Aylesbury	11,666	(52,551)	(40,885)
Brinsford	37,083	(121,178)	(84,095)
ISIS	3,125	(75,963)	(72,838)
Wandsworth	7,125	(10,185)	(3,060)
Brixton	38,541	(103,379)	(64,838)
Severn Trent	32,084	(52,471)	(20,387)
DPA	31,844	(3,254)	28,590
Featherstone	3,167	(6,614)	(3,447)
	<u>164,635</u>	<u>(425,595)</u>	<u>(260,960)</u>
TOTAL FUNDS	<u>427,355</u>	<u>(425,595)</u>	<u>1,760</u>

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	45,351	296,346	(269,578)	72,119
Restricted funds				
Aylesbury	-	(63,569)	63,569	-
Brinsford	-	(94,393)	94,393	-
ISIS	-	(28,475)	28,475	-
Wandsworth	-	(22,046)	22,046	-
Brixton	-	(31,181)	31,181	-
DPA	-	(28,537)	28,537	-
Oakwood	-	(1,377)	1,377	-
	-	<u>(269,578)</u>	<u>269,578</u>	-
TOTAL FUNDS	<u>45,351</u>	<u>26,768</u>	<u>-</u>	<u>72,119</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

14. 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	296,345	1	296,346
Restricted funds			
Aylesbury	13,082	(76,651)	(63,569)
Brinsford	499	(94,892)	(94,393)
ISIS	48,112	(76,587)	(28,475)
Wandsworth	63,660	(85,706)	(22,046)
Brixton	10,788	(41,969)	(31,181)
DPA	6,157	(34,694)	(28,537)
Oakwood	-	(1,377)	(1,377)
	<u>142,298</u>	<u>(411,876)</u>	<u>(269,578)</u>
TOTAL FUNDS	<u>438,643</u>	<u>(411,875)</u>	<u>26,768</u>

Transfers between funds

Grants made are often restricted to one of the charity's four projects - young offender's prisons - where mentors are provided by employing a project manager to match mentors with mentees. Income and expenditure is analysed by project and any shortfalls covered by a transfer of funds from the unrestricted (core) fund. Support costs, such as management costs and the cost of raising funds are split among the projects.

15. RELATED PARTY DISCLOSURES

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

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