CHANGING FUTURES NORTH EAST

England & Wales · Charity number 1089347

Details

Other names	HEADLAND FUTURE LIMITED
Status	Registered
Legal form	Charitable company
Company number	04009541
Registered	2001-11-15
Register	View on the Charity Commission register

Contact

Address	3 Abbey Street Hartlepool United Kingdom TS24 0JR
Phone	01429891444
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Website	www.changingfuturesne.co.uk

Activities

Objects: THE CHARITY'S OBJECTS ARE SPECIFICALLY RESTRICTED FOR THE PUBLIC BENEFIT TO THE PROMOTION OF THE UPBRINGING AND CARE OF CHILDREN AND YOUNG PEOPLE IN NEED FROM ALL BACKGROUNDS, CULTURES AND FAITHS OR NONE, IN PARTICULAR BY:1. PROMOTING THEIR BETTER CARE AND SAFEGUARDING THEM.2. PROVIDING ASSISTANCE TO THEM AND THEIR FAMILIES AND CARERS.3. PROMOTING THEIR HEALTH.4. PROMOTING THEIR EDUCATION AND ESTABLISHMENT IN LIFE.

Activities: Provision of universal, targeted and specialist services to support relationships within and between families, couples and agencies, to benefit children and young people

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Amateur Sport, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Other Defined Groups

Geography

- **Area of benefit:** SEE OBJECTS TEXT
- Darlington
- Durham
- Hartlepool
- Middlesbrough
- Redcar And Cleveland
- Stockton-on-tees

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,943,862	£1,824,658	£1,015,285	31
2024-03-31	£1,648,036	£1,493,729	£896,081	32
2023-03-31	£1,246,980	£1,322,785	£741,774	35
2022-03-31	£903,559	£1,060,348	£817,579	24
2021-03-31	£840,863	£713,204	£974,368	19

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Trustees

Name	Role	Appointed
Andrew Snowball		2025-11-10
Anthony Devine		2025-08-06
Ashley Harrison		2025-11-10
Gillian Lamb		2020-08-19
Jodine Milne Reader		2025-04-13
Linda Scollins-Smith		2025-11-10
Mairi McBain		2025-04-13
Nicola McCurley-Clark		2026-03-04
Ross Copland		2025-08-06

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CHANGING FUTURES NORTH EAST

England & Wales - Charity number 1089347

Accounts

REGISTERED COMPANY NUMBER: 04009541 (England and Wales)
REGISTERED CHARITY NUMBER: 1089347

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2025

for

Changing Futures North East

Inspire Compliance Limited
Chartered Accountants
Registered Auditors
6 Queens Court
Third Avenue
Team Valley
Gateshead
Tyne and Wear
NE11 0BU

Changing Futures North East

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Changing Futures North East
Reference and Administrative Details
for the Year Ended 31 March 2025

TRUSTEES	D R Blackith A N Jackson (resigned 30.10.24) D M Jeffrey Ms G M Lamb - Chair Ms D M Robertson A Steel (resigned 18.12.24) Ms M McBain (appointed 13.4.25) Ms J Milne (appointed 13.4.25) R Copland (appointed 6.8.25) A Devine (appointed 6.8.25) Ms V J Orr (appointed 6.8.25)
COMPANY SECRETARY	
REGISTERED OFFICE	3 Abbey Street Headland Hartlepool TS24 0JR
REGISTERED COMPANY NUMBER	04009541 (England and Wales)
REGISTERED CHARITY NUMBER	1089347
INDEPENDENT AUDITORS	Inspire Compliance Limited Chartered Accountants Registered Auditors 6 Queens Court Third Avenue Team Valley Gateshead Tyne and Wear NE11 0BU
BANKERS	Co-Operative Bank plc Olympic House 6 Olympic Court Off Montford Street Salford M5 2QP

Changing Futures North East

Chairman's Report
for the Year Ended 31 March 2025

CFNE has been rooted in Early Help and Family Services; this has been a key strength of the organisation, with specialisms in reducing parental conflict, strengthening family relationships, and parenting with a trauma-informed focus. The Board intends to continue working and expanding in this area; however, it also acknowledges the uncertainty of funding in this area, which often occurs near deadline dates, making long-term planning difficult.

Over the last two years, there has been a rebalancing, investing in the success of fostering (through the subsidiary, Changing Futures Fostering), with the vision of continuing to support children and young people in care.

The Board is keen to provide safe, loving homes through a residential home; however, the difficulty of obtaining a suitable property had proved to be a bigger challenge than expected. Additionally, moving into residential requires significant investment and securing finance for the project was complex and required regular financial modelling, which the Board scrutinised. However we are pleased to report that a house has been purchased, finance secured, and we are now looking for a Responsible Individual (RI) to be registered with Ofsted as the legally responsible person, and give support and oversight to a new Registered Manager.

Some core goals and challenges for CFNE in 2025:

1. Ensuring that members of the Board represented the expertise and experience necessary to provide the required governance.
2. Merging Changing Futures and CFNE to be one organisation.
3. Growing Fostering in a very competitive market.
4. Maintaining and growing current work and securing finances to fulfil contracts.

A series of other delivery and business objectives were set for 24/25 specifically, and I am pleased to report that the teams hard work has resulted in achievement in all priority areas. These are detailed more fully in the Annual Report.

An application is being lodged with Ofsted to register CFNE as a fostering provider. This will continue to have the Deputy CEO as Responsible Individual and the same Registered Manager, with the RI reporting directly to a fostering committee. The Merger will require registration with OFSTED, and the fostering parents within CFF would need to transfer to the Charity and be reapproved. It was envisaged that this would be completed in 25/26, allowing time for discussions with all involved. The new structure should realise cost savings, making sure that as much money as possible is invested into children and young people.

The board has been particularly focused on governance this year, and developing the right structure to give appropriate challenge and support to the senior leadership team. The committees that have been put in place are:

- Audit Risk and Resilience (inc governance)
- People and Culture
- Finance
- Residential
- Fostering (when the merger has been completed)

The Board and Senior Leadership Team have also been focused on quality assurance (QA) processes. Both Fostering and Residential care will be regulated and inspected by Ofsted. The QA policy and reports will be regularly reported to the committee and full board meetings. Action plans will be put in place to ensure learning is applied, and progress against actions will be scrutinised.

We expect the coming year being focused on completing the merger, getting residential up and running, maintaining our wider service offer, and planning for an expansion in early help services as we become increasingly capable of funding them through surplus income.

Changing Futures North East

Chairman's Report
for the Year Ended 31 March 2025

During the year, there were two Board resignations, and I would like to thank both Andrew and Tony for their service as Trustees for CFNE. The Board also welcomed a large number of new trustees who brought a wide range of experience, thereby broadening both the knowledge and expertise of the Board to meet the new challenges.

I would like to thank all board members, the staff team and our volunteers for their time and dedication. I look forward to 25/26 and the next step in achieving our vision.

Gillian Lamb

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 2025. 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

The objects of the Charity (as amended on 10th July 2019) are:

specifically restricted for the public benefit to the promotion of the upbringing and care of children and young people in need from all backgrounds, cultures, and faiths or none, in particular by:

5.1 Promoting their better care and safeguarding them.
5.2 Providing assistance to them and their families and carers
5.3 Promoting their health
5.4 Promoting their education and establishment in life.

The charity promotes the benefit of children and young people in particular through recognition of the interconnectedness of human systems and the role of the family and the community in creating the environmental conditions to enable children and young people to thrive.

Our vision, mission and beliefs

The Charity is founded on the fundamental belief that relationships matter to people. They can catalyse joy. They can lead to profound misery. People with a variety of strong, healthy relationships are better able to thrive, and better deal with challenges presented by life. Through enhancing the relational resources available to children, family members, and community members and indeed those agencies and workers that make up the village around the family, the Charity seeks to bring about lasting social change. In particular:

We will help create a society where every child and young person has opportunity to be supported by the full range of healthy relationships they need to thrive.

This will help break intergenerational cycles of trauma, poverty and deprivation.

Our core missions to help children, families and communities to flourish, are:

- Enabling families to have the relational resources and resilience they need to thrive
- Promoting and supporting parental and other key relationships
- Enabling development of relationships that heal and create or nurture resilience to the impacts developmental and other life trauma, to benefit children

The help we deliver to achieve our vision and missions will be delivered in accordance with some key beliefs:

Everyone has potential - our role is to help people unlock this and achieve the things that matter to them
Parents love their children - and this love needs to be acknowledged, worked with, and respected
Parental relationships matter - we must be curious about them and support them where needed, particularly given the critical impact inter-parental relationships have on children
Wider relationships matter - people stand the best chance of thriving with a variety of positive family, peer, and other relationships
Workplace relationships matter - healthy and supportive workplace relationships are good for people at work, and they help them help people in the community better too
Systems affect children, change and performance - we need to understand and work across the range of relationships, agencies and actors that surround families to best enable positive change

Values and behaviours

To deliver effective help, we will behave in accordance with key values:

- **Ambitious** - We're ambitious for children and families and set ambitious goals that help us to help them.
- **Integrity & Pride** - We provide and celebrate the type of help we believe in.
- **Innovation and Competence** - We seek to enter and maintain a focus in spaces where we know we can do things well, and will measure ourselves against our ambitions
- **Collaborative** - We recognise we are at our best when we collaborate inside and outside the organisation, and will do so.
- **Empowering** - We know that empowering others builds sustainable change; we enable and equip our staff, volunteers and families with the tools, support and confidence they need to enable changes, gives best result.
- **Safe** - Family members deserve to be safe in their relationships, in the community and the workplace and we will work hard to help them be safe.
- **Relational** - Humans need human connections; nurturing connections and empowering individuals and communities, focusing on trust, collaboration and respect, helps children, family members and workers to be seen supported and grow. We will endeavour to work relationally.

Our history and current focus

The modern 'Changing Futures' is a relationship focused agency, with a special focus on working with people who've experienced trauma, that works across North East England. We are more interested in what's happened to people than what's wrong with people. We try to avoid labelling and stigmatising language (and encourage some parts of wider systems to reframe how they see and think about the people they work with).

The relational focus that underpins our work dates back to the very founding of the organisation, when its sole focus was as an estate-based youth provider on the Headland of Hartlepool. Around 1997, a group of Headland residents and development workers banded together to consult young people as to their needs, and how they might better be met through youth provision in the area. The culmination of this work was the development of the Abbey Street Youth Project, led by a young person's steering group and supported by the wider community. At this point, the organisation formalised as Headland Future Limited. The emphasis of Headland Future's youth work was social and informal education. The nurturing of relationships, bringing together people of shared passions in "communities of interest" and an emphasis on enabling young people to enjoy and achieve were more of a focus than issue-based work.

The Charity still pursues its original mission to improve the lives of children and young people. Over time, the work of the organisation has shifted, based on learning that for many young people, direct work with them can only have so much impact. At times, but not always, change can be best enabled when the family context children live in is warm, nurturing, and free of poorly managed conflict. Healthy parental relationships have a particular impact on children's welfare and wellbeing.

Parenting children who've experienced trauma is particularly challenging, be it for birth parents, foster carers or staff taking care of children in residential settings. We have a particular emphasis on enabling parents, carers and workers to understand the impact of trauma and to parent or work in a trauma informed way. Ensuring that parents, carers and workers are well supported, and have their core needs attended to, is critical to enabling them to meet children's needs well.

We are acutely conscious that too many children are living often many miles away from their loved ones because of shortages in local foster homes and residential placements. We are also saddened that too many young people leave care with few or no loving or trusting relationships with adults. A substantial focus for our organisation is to help address these issues through direct provision of placements (for instance through Changing Futures Fostering, our subsidiary company) and through long term support.

The people we work with

The Charity has the privilege to work with children, young people, families and organisations in the North East of England, particularly in the Tees Valley, Hartlepool and Darlington.

The parents and organisations we work with are passionate about meeting the needs of children, and have a range of superb assets at their disposal. The children we work with care about their parents, their siblings and their peers, and want to enjoy life and succeed. The individuals we work with care about the people in their lives and want to be happy.

It is an unfortunate truth that many of those that ask for our help have been through forms of hardship (for instance, poverty, the trauma of losing a loved one, bullying, conflict laden and sometimes violent relationships, abuse, neglect) and that difficulties in their lives have left them with challenges that they are struggling to overcome successfully. However, they have shown much resilience, determination, and loyalty to others in their lives; our job, when asked, is to help people to draw on these assets and build on their strengths, identifying their own goals and then catalysing their own change.

We target different help to different groups, for instance separated families, parents in relationships, children in care, other young people and families.

The majority of families who accessed separation support had low incomes, and most former couples were in long term conflict. Evidence shows poorly managed and enduring couple conflict is highly detrimental to children's outcomes (especially when combined with material deprivation). Conflict where there are financial difficulties, or children and families live in poverty, is far more likely to result in poorer outcomes for children. Following the DWP investing in supporting Councils to better support parental conflict, and our own local work, we have refocused our help towards those families with more complex situations where specialist help is likely to be needed. We have also focused on helping train, coach and support the wider children's workforce to better support parental relationships.

Much of the Charity's work is with people living in deprived communities (in Hartlepool the majority of the people we work with live in areas where children's outcomes are worse than in other areas, and there is material poverty). Some of the Charity's work is specifically targeted towards those that have suffered multiple disadvantages. Some work is focused on enabling people to develop the strengths and resources to avoid hardship through preventative programmes and collaboration with other agencies.

The people who enable change for children and families

Firstly, a huge thank you to the parents and children who have let us into their lives. We support you to draw on your innate talents and skills, and to make your own change. We are privileged to be invited in to help.

A huge thank you as well to the 26 staff and 87 volunteers who provide this help to children and families. The Charity would like in particular to thank these committed individuals who give up so much of their free time to support people in the community. Without this help we would be unable to provide anywhere near the current level and quality of service.

STRATEGIC REPORT
Achievements and performance
Charitable activities
Objectives - Direct help

Delivery and system change objectives

Our key objectives for the next year include:

- Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies
- Maintain and where possible grow our mediation offer and reducing parental conflict consultancy and training
- Expand services that help people build, strength or repair connections so that they can live happier, healthier lives - that benefit children as a result
- Retain specialist couple relationship work as a core part of the organisations portfolio
- Ensure delivery of a therapeutic fostering offer that has peer support at its core
- Sustainably expand our mentoring and befriending offer, and work to evaluate the new mentoring approach to support its take-up in other areas
- Maintain an emotional wellbeing offer that increases access for children and families to psychological services

The Charity helped an estimated 2576 people in 24/25 compared to 2269 in 23/24 and 2251 people in 22/23. This includes an estimated 753 children who benefitted from our training work and mediation work (assuming 1.7children per adult worked with).

Excluding this assumption, we directly worked with 1823 people in 2024/25. Direct beneficiaries break down as follows:

Emotional Wellbeing (general)	Family work (inc some adult forces emotional wellbeing work)	Reducing Parental Conflict	Youth & Community
744	482	495	102

The table below shows numbers of people who benefited from our help, including assumptions for indirect beneficiaries, over the last five years.

	Practitioners	Direct beneficiaries (excluding practitioners)	Indirect beneficiaries (estimated)	Total
24/25	55	1768	753	2576
23/24	223	1508	761	2269
22/23	197	1463	591	2251
21/22	25	1158	627	1785
20/21	20	674	367	1061

The Charity is pleased to be helping increasing numbers of children each year, however is mindful that it is focused principally on ensuring social impact. It may reduce the numbers it helps in future years, to provide more targeted help to certain groups of people.

Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies

Parents Pulling Together is a three year parent led universal peer support and parenting service in Hartlepool, delivered in partnership with Hartlepool Borough Council. It is funded through the National Lottery Communities Fund. It has been bolstered with extra support from the lottery "Know Your Neighbourhoods" grant scheme, enabling a sharper focus on engaging parents who would not otherwise have accessed help. This has now concluded, with over 404 parents benefitting and the vast majority reporting positive changes.

At the heart of Parents Pulling Together is the philosophy that parents are best places to help other parents. Consequently, all of the groups are delivered either through:

Parent Connectors, paid for by the National Lottery Communities Fund, who accessed the "being a parent" groupwork programme themselves, learned loads from it, and delivered it substantially as volunteers. They then took up paid positions so they could dedicate even more time to delivering the programme. We employ three people in this role.

Parent Group Leaders - parents who volunteer their time to deliver programmes. Over the past year we've trained new Parent Group Leaders.

Parent Connector staff and a number of parent volunteers have run groupwork programmes across schools in Hartlepool.

An initial evaluation showed most project targets were exceeded. Learning included:

- A peer led model has huge benefits from the parents who deliver help, and also in supporting access by parents who can be more willing to listen to people who look and sound like them, and who have been through similar challenges, living in the same or similar communities
- That signposting to extra resources would be helpful for some parents, and be built into future project design
- That more seamlessly delivering an extra module on parental conflict alongside the main "being a parent" programmes would have supported greater take up

A more comprehensive evaluation involving in depth interviews with parents is underway and we plan to publish findings on our website.

Maintain and where possible grow our mediation offer and reducing parental conflict consultancy and training

- **Retain specialist couple relationship work as a core part of the organisations portfolio**

Tees Valley Mediation is the trading name for our Mediation service and traditionally provided mediation in Tees Valley and East Durham. Mediation enables couples to resolve a legal dispute usually around children but also in connection with their finance arrangements following a separation or divorce. We provide both private and legally aided mediation. We are also able to provide funding via the Family Mediation Voucher Scheme which offer families £500 towards mediation and has been extended until March 26.

Our Legal Aid contract has been renewed however the contract has not benefited from a financial uplift. Fees have remained static for many years. Recent inflationary pressures have eroded into any profit made and we are seeing fewer number of mediation firms willing to continue. Latest figures shows that firms holding a legal aid contract have reduced from 178 in 2018-19 to just 86 in 2024-25.

This reduction in firms offering mediation should provide an opportunity to increase the number of families we can help however, mediator capacity and recruitment remains a challenge for the service. The number of mediators working within legal aid mediation contracts declined from 450 in 2017-18 to 241 in 2024-25.

Demand for mediation from Changing Futures in 2024/2025 remained broadly in line with demand the year before, with 359 referrals received into mediation. From these referrals we supported 283 people with an initial piece of work. 79 couples then went on to engage in mediation which is a slight decrease on the year before. 36 couples were able to reach an agreement.

Additional to mediation, Changing Futures has continued to deliver training to practitioners in working with parental conflict and has supported the delivery of a series of Parenting When Separated courses for parents in Tees Valley.

Expand services that help people build, strength or repair connections so that they can live happier, healthier lives - that benefit children as a result

Changing Futures delivered a Family Group Conferencing pilot, with 242 people engaged in the conferences in some way.

FGC is a way of galvanising the family network to ensure children are safe and can continue to be cared for at home, with their parents or by other family members.

Case study and design work with parents is ongoing to understand impact, and how the service can better meet family needs.

Ensure delivery of a therapeutic fostering offer that has peer support at its core

Funding was given to Changing Futures Fostering Limited in previous years to deliver a fostering service to benefit children in North East England. The agency achieved a 'good' rating from Ofsted at its first inspection.

There are a small number of children placed with a growing number of foster families. The agency launched during the pandemic and was challenged by the impact of Covid on foster parent applications but has subsequently thrived and has a good number of children in placement, many of whom are long term matched.

The therapeutic model has been well received by foster parents. Feedback from foster parents about the quality of training and support they receive is excellent and children and young people are making good, solid, evidenced progress.

The agency has passed breakeven point and is now generating a surplus. Surplus is returned to the parent Charity annually, to be invested into supporting local children and families.

Sustainably expand our mentoring and befriending offer, and work to evaluate the new mentoring approach to support its take-up in other areas

Independent Visitors guide, advise, listen to and befriend young people in care, sharing their experiences as well as trying new activities and spending quality time together. The Charity now offers Independent Visitors to young people in Hartlepool, Stockton, Middlesbrough, Darlington and Redcar.

There has been growth in the number of young people supported. At the end of 24/25 there were 76 children with a befriender in Tees Valley.

We operate under an evidence-based theory of change that shows that healthy independent visitor relationships with looked after children can mitigate harm, improve stability and help children achieve positive outcomes. Therefore, we measure success for this service based on the quality of the relationship. Once again, over 90% of children who accessed the service reported that they gained a trusted friend/adult and all, but a few children rated the quality of the relationship as 9/10 or 10/10 (10/10 being excellent).

The Independent Review of Children's Social Care highlights that many children in care leave home with no or few loving relationships, and one of the "obsessions" is that "No young person should leave care without at least two loving relationships". We secured funding to pilot a mentoring approach in Teesside that reached 26 young people in 24/25. We are continuing this work into 25/26.

Maintain an emotional wellbeing offer that increases access for children and families to psychological services

- **Living Well Project**

We secured finance to continue to run "Positive and Adverse Childhood Experiences" (PACES) groups to families whose children were experiencing challenges, and there was a view that trauma in the family's past might be a contributor or cause.

Rockpool (who are the owners of the programme we deliver) succinctly explain what PACES are any why helping people who have experienced PACES matters:

"Adverse Childhood Experiences (ACEs) are stressful or traumatic experiences, including abuse, neglect and a range of household dysfunctions such as witnessing domestic violence or growing up with substance abuse, mental illness, parental discord or incarceration. Living with ACEs results in individuals developing coping and lifestyle strategies that are based on poor parental attachment and the effects of trauma".

The P stands for positive experiences, and strengths, which have happened to and exist within all families. These are recognised and worked with to further strengthen the family.

- **Improving Access to Psychological Therapies (IAPT) for Children, Young People and Families**

We have been pleased to offer children and families emotional wellbeing support through a range of interventions including low intensity cognitive behavioural therapy (CBT), high intensity CBT, systemic family work and parenting support. We do this through partnerships in both North and South Teesside.

Our staff have offered low intensity CBT and children's counselling services.

- **Mental Health Support Teams**

Mental Health Support Teams seek to improve young people's emotional wellbeing through:

- Delivering evidence based interventions (largely low intensity CBT)
- Supporting a senior mental health lead in each education setting to introduce or develop their whole school/college approach to supporting young people's emotional wellbeing

- Giving timely advice to school and college staff, and liaising with external specialist services, to help children and young people to get the right support and stay in and do well in education

The Link has partnered with five other organisations in South Tees (Middlesbrough, Redcar) including Changing Futures to deliver Mental Health Support Teams there.

Alliance has partnered with Changing Futures in North Tees (Hartlepool, Stockton) to expand Mental Health Support Teams there.

Objectives - Business objectives

- Open a residential home for children
- Strengthen participation work across major strands of work
- Continue to build and refine quality systems
- Increase expertise in management of services for care experienced young people and adults on the Board, and add further financial experience

Open a residential home for children

A house has been purchased an initial planning permissions sought. Finance has been secured.

Strengthen participation work across major strands of work

The Charity engaged with colleagues to run a series of design workshops with children and young people, paired with an evaluation, to review and plan for the evolution of the mentoring and befriending offer. Several of the changes children and young people wanted are already in place.

Case study work engaging with parents from the Parents Pulling Together project and separately the Family Group Conferencing Project is being planned for 2024 and 2026. This will lead to further conversations with groups of parents about how learning can be applied to better service design.

Continue to build and refine quality systems

A committee has been established.

Increase expertise in management of services for care experienced young people and adults on the Board, and add further financial experience

The board is being advised by two senior leaders with experience of fostering, residential and Ofsted inspections.

The board is shortly to be joined by two managers who have experience of having been in care.

STRATEGIC REPORT

Financial review

Reserves policy

The Board determined in its 2015-2021 strategy that free reserves of £225,000 should be targeted, and that free reserves should grow on average by 4% of turnover per annum over the lifetime of the strategy. This target was achieved. The reserves policy stood for future years until 2025.

The board have amended the reserves policy in 2025, to require £314,649 is retained in reserves going forward.

At 31/03/24 £402,149 was held in free reserves and by 31/3/25 this had increased to £619,552.

The Board made the decision to invest in residential and consequently expect reserves to decline rather than grow in 25/26 and 26/27.

Reserves policy rationale

The Trustees consider that the performance of the Charity over the period is satisfactory. However, in their annual risk review the trustees commented again on current and future economic conditions and political considerations creating or adding to uncertainly in the funding environment:

- Inflation and its impact on reducing the effective value of reserves, and pressures on budgets
- Reliance on sales generally to draw in revenue
- Shortages of people coming forward to foster and to volunteer, which effect the Charities ability to support children and limit potential revenue sources
- Continued uncertainty about governments spending priorities in relation to children's services and social care
- Pressure on local government and central government finances, which is likely to continue for some years
- High competition for contracts and grant
- The costs of getting to a point where children are placed in our first residential home, including capital works and cash burn to registration

The Board have considered how best the organisations strategic aims and objectives can be achieved in the context of the current and predicted environment and the organisations strengths and weaknesses. Their view is that sufficient reserves should be held to:

- Safeguard a limited number of services to vulnerable beneficiaries in the short term, until either replacement funding can be secured, other services can be brought in to offer support, or needs can be met by the Charity
- Providing working capital to ensure restricted funding remains restricted, and ensure that adequate funds are held to account for late debtors
- To cover liabilities in the unlikely event that the Charity is wound up
- To enable investment in development of new services, subject to a strong business case and likelihood of sustainable income and good outcomes for children being generated by such services

Reserves should be managed in a way that, where it is necessary to hold them, they generate the best possible return for the Charity (including both financial and social return).

In respect of investment in development of new services, the Board are committed to investment in residential care because:

- The Board believe that this provision would meet an under-met need in an area with increasing demand
- It builds from the organisations core competencies in supporting children and young people through a therapeutic parenting offer, and of addressing neglect and trauma
- It helps meet the organisations charitable objects
- It links to one of the priority areas of spending for Local Authorities – there is and will remain a statutory obligation to safeguard vulnerable children

Investment in residential will be made from reserves grant funding and loans.

STRATEGIC REPORT

Quality Assurance & Complaints

Changing Futures North East is committed to standardising processes to ensure quality in multiple areas of business operations. Consequently the Charity pursues securing and maintaining relevant quality marks.

No formal complaints were received in 2024/25, or in 2023/24.

2 informal complaints were received in relation to mediation services, which were dealt with informally by the service manager.

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.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Changing Futures North East for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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;
- 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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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.

AUDITORS

The auditors, Inspire Compliance Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 1st 11 2025 and signed on the board's behalf by:

Ms G M Lamb - Chairperson

Report of the Independent Auditors to the Trustees of Changing Futures North East

Opinion

We have audited the financial statements of Changing Futures North East (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 2025 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.

Report of the Independent Auditors to the Trustees of Changing Futures North East

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or international misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

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 Trustees of Changing Futures North East

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Inspire Compliance Limited

Inspire Compliance Limited
Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
6 Queens Court
Third Avenue
Team Valley
Gateshead
Tyne and Wear
NE11 0BU

Date: 10/11/2025

Changing Futures North East

Consolidated Statement of Financial Activities for the Year Ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	7,792	-	7,792	5,261
Charitable activities	4				
Systems Change Work		-	38,139	38,139	88,904
Couple and family relationships		151,210	-	151,210	184,424
Working with children and young people		712,215	79,049	791,264	482,736
Core support		-	-	-	113,641
Fostering service		946,651	-	946,651	763,039
Investment income	3	8,806	-	8,806	10,031
Total		1,826,674	117,188	1,943,862	1,648,036
EXPENDITURE ON					
Charitable activities	5				
Systems Change Work		-	55,075	55,075	75,645
Couple and family relationships		147,855	-	147,855	137,412
Working with children and young people		559,821	73,811	633,632	418,544
Core support		175,228	31,293	206,521	186,026
Fostering service		781,575	-	781,575	676,102
Total		1,664,479	160,179	1,824,658	1,493,729
NET INCOME/(EXPENDITURE)		162,195	(42,991)	119,204	154,307
Transfers between funds	18	32,647	(32,647)	-	-
Net movement in funds		194,842	(75,638)	119,204	154,307
RECONCILIATION OF FUNDS					
Total funds brought forward		486,167	409,914	896,081	741,774
TOTAL FUNDS CARRIED FORWARD		681,009	334,276	1,015,285	896,081

The notes form part of these financial statements

Changing Futures North East

Consolidated Statement of Financial Position
31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Intangible assets	11	-	-	-	190
Tangible assets	12	2,937	323,704	326,641	339,773
Investments		-	-	-	-
		2,937	323,704	326,641	339,963
CURRENT ASSETS					
Debtors	14	142,609	-	142,609	311,741
Investments	15	90,264	-	90,264	86,376
Cash at bank and in hand		568,203	15,889	584,092	300,733
		801,076	15,889	816,965	698,850
CREDITORS					
Amounts falling due within one year	16	(118,510)	(5,317)	(123,827)	(127,660)
NET CURRENT ASSETS		682,566	10,572	693,138	571,190
TOTAL ASSETS LESS CURRENT LIABILITIES		685,503	334,276	1,019,779	911,153
CREDITORS					
Amounts falling due after more than one year	17	(4,494)	-	(4,494)	(15,072)
NET ASSETS		681,009	334,276	1,015,285	896,081
FUNDS	18				
Unrestricted funds				681,009	486,167
Restricted funds				334,276	409,914
TOTAL FUNDS				1,015,285	896,081

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements

continued...

Consolidated Statement of Financial Position - continued
31 March 2025

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.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 10/11/2025 and were signed on its behalf by:

Mrs G Lamb - Chairperson

Changing Futures North East

Charity Statement of Financial Position
31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Intangible assets	11	-	-	-	190
Tangible assets	12	2,937	323,704	326,641	339,773
Investments	13	10	-	10	10
		2,947	323,704	326,651	339,973
CURRENT ASSETS					
Debtors	14	245,838	-	245,838	371,348
Investments	15	90,264	-	90,264	86,376
Cash at bank and in hand		433,641	15,889	449,530	187,676
		769,743	15,889	785,632	645,400
CREDITORS					
Amounts falling due within one year	16	(87,187)	(5,317)	(92,504)	(74,320)
NET CURRENT ASSETS		682,556	10,572	693,128	571,080
TOTAL ASSETS LESS CURRENT LIABILITIES		685,503	334,276	1,019,779	911,153
CREDITORS					
Amounts falling due after more than one year	17	(4,494)	-	(4,494)	(15,072)
NET ASSETS		681,009	334,276	1,015,285	896,081
FUNDS	18				
Unrestricted funds				681,009	486,167
Restricted funds				334,276	409,914
TOTAL FUNDS				1,015,285	896,081

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements

continued...

Statement of Financial Position - continued
31 March 2025

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.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 10/11/2025 and were signed on its behalf by:

Mrs G Lamb - Chairperson

The notes form part of these financial statements

continued...

Changing Futures North East

Statement of Cash Flows
for the Year Ended 31 March 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	289,094	15,743
Interest paid		(523)	(753)
Net cash provided by operating activities		288,571	14,990
Cash flows from investing activities			
Interest received		8,806	10,031
Net cash provided by investing activities		8,806	10,031
Cash flows from financing activities			
Loan repayments in year		(10,130)	(9,831)
Increase in short term deposits		(3,888)	(5,173)
Net cash used in financing activities		(14,018)	(15,004)
Change in cash and cash equivalents in the reporting period		283,359	10,017
Cash and cash equivalents at the beginning of the reporting period		300,733	290,716
Cash and cash equivalents at the end of the reporting period		584,092	300,733

The notes form part of these financial statements

continued...

Notes to the Statement of Cash Flows for the Year Ended 31 March 2025

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

	31.3.25 £	31.3.24 £
Net income for the reporting period (as per the Statement of Financial Activities)	119,204	154,307
Adjustments for:		
Depreciation charges	13,322	13,563
Interest received	(8,806)	(10,031)
Interest paid	523	753
Decrease/(increase) in debtors	169,132	(221,522)
(Decrease)/increase in creditors	(4,281)	78,673
Net cash provided by operations	289,094	15,743

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	300,733	283,359	584,092
	300,733	283,359	584,092
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	86,376	3,888	90,264
	86,376	3,888	90,264
Debt			
Debts falling due within 1 year	(9,899)	(448)	(10,347)
Debts falling due after 1 year	(15,072)	10,578	(4,494)
	(24,971)	10,130	(14,841)
Total	362,138	297,377	659,515

The notes form part of these financial statements

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
All income is recognised in the Statement of Financial Activities once the charity has entidement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entidement of receipt, its recognition is deferred and included in creditors in deferred income. Where entitlement occurs before income is received, the income is accrued.

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 under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% 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.

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.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

continued...

1. ACCOUNTING POLICIES - continued

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.

2. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations	7,792	5,261

3. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	8,806	10,031

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.25	31.3.24
	Activity	£	£
Grants	Systems Change Work	38,139	88,904
Grants	Couple and family relationships	151,210	184,424
Grants	Working with children and young people	791,264	482,736
Grants	Core support	-	113,641
Grants	Fostering service	946,651	763,039
		1,927,264	1,632,744

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Systems Change Work	55,075	-	55,075
Couple and family relationships	147,855	-	147,855
Working with children and young people	633,632	-	633,632
Core support	90,948	115,573	206,521
Fostering service	559,898	221,677	781,575
	1,487,408	337,250	1,824,658

continued...

6. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Core support	86,933	16,940	11,700	115,573
Fostering service	221,112	565	-	221,677
	308,045	17,505	11,700	337,250

7. NET INCOME/(EXPENDITURE)

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

	31.3.25	31.3.24
	£	£
Auditors' remuneration	11,700	11,700
Other non-audit services	-	5,100
Depreciation - owned assets	13,132	12,993
Hire of plant and machinery	662	3,326
Computer software amortisation	190	570

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

9. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	798,866	702,546
Social security costs	69,324	61,042
Other pension costs	29,706	16,620
	897,896	780,208

continued...

9. STAFF COSTS - continued

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

	31.3.25	31.3.24
Charitable services	21	20
Management and administration	6	6
Fostering	4	3
	31	29

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

	31.3.25	31.3.24
£60,001 - £70,000	1	-

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,261	-	5,261
Charitable activities			
Systems Change Work	-	88,904	88,904
Couple and family relationships	184,424	-	184,424
Working with children and young people	396,601	86,135	482,736
Core support	43,641	70,000	113,641
Fostering service	763,039	-	763,039
Investment income	10,031	-	10,031
Total	1,402,997	245,039	1,648,036
EXPENDITURE ON			
Charitable activities			
Systems Change Work	2	75,643	75,645
Couple and family relationships	137,412	-	137,412
Working with children and young people	357,054	61,490	418,544
Core support	110,869	75,157	186,026
Fostering service	676,102	-	676,102
Total	1,281,439	212,290	1,493,729

continued...

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
NET INCOME	121,558	32,749	154,307
Transfers between funds	39,055	(39,055)	-
Net movement in funds	160,613	(6,306)	154,307
RECONCILIATION OF FUNDS			
Total funds brought forward	325,554	416,220	741,774
TOTAL FUNDS CARRIED FORWARD	486,167	409,914	896,081

11. INTANGIBLE FIXED ASSETS

Group and Charity

	Computer software
	£
COST	
At 1 April 2024 and 31 March 2025	4,280
AMORTISATION	
At 1 April 2024	4,090
Charge for year	190
At 31 March 2025	4,280
NET BOOK VALUE	
At 31 March 2025	-
At 31 March 2024	190

continued...

12. TANGIBLE FIXED ASSETS
Group and Charity

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2024 and 31 March 2025	571,080	9,615	117,082	697,777
DEPRECIATION				
At 1 April 2024	235,954	9,615	112,435	358,004
Charge for year	11,422	-	1,710	13,132
At 31 March 2025	247,376	9,615	114,145	371,136
NET BOOK VALUE				
At 31 March 2025	323,704	-	2,937	326,641
At 31 March 2024	335,126	-	4,647	339,773

13. FIXED ASSET INVESTMENTS
Charity

	Shares in Subsidiary Undertaking
	£
COST	
At 1 April 2024 and 31 March 2025	10
NET BOOK VALUE	
At 1 April 2024 and 31 March 2025	10

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	126,783	308,686	38,360	232,911
Amounts owed by group undertakings	-	-	207,478	138,437
Prepayments and accrued income	15,826	3,055	-	-
	142,609	311,741	245,838	371,348

15. CURRENT ASSET INVESTMENTS
Group and Charity

	31.3.25 £	31.3.24 £
Listed Investments	90,264	86,376

continued...

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Bank loans and overdrafts (see note 17)	10,347	9,899	10,347	9,899
Trade creditors	85,036	69,446	66,505	36,392
Social security and other taxes	7,236	18,957	3,952	16,239
Accruals and deferred income	21,208	29,358	11,700	11,700
	123,827	127,660	92,504	74,320

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and Charity

	31.3.25	31.3.24
	£	£
Bank loans (see note 17)	4,494	15,072

18. LOANS

Group and Charity

An analysis of the maturity of loans is given below:

	31.3.25	31.3.24
	£	£
Amounts falling due within one year on demand:		
Bank loans	10,347	9,899
Amounts falling between one and two years:		
Bank loans - 1-2 years	4,494	-
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	15,072

continued...

19. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	402,149	(156,782)	366,096	611,463
Revaluation Reserve	5,142	-	-	5,142
Fixed Assets	4,837	(1,900)	-	2,937
Training	-	(1,997)	2,347	350
Mediation	-	9,393	(9,393)	-
Designated funds				
Independent Visitor	-	10,607	(10,607)	-
Independent Visitor Expenses	-	(11)	11	-
Independent Visitor Teesside	-	25,772	(25,772)	-
IAPT 2022	-	5,117	(5,117)	-
Funds in a non charitable subsidiary	10	165,128	(165,128)	10
Tudor Trust Unrestriced	44,000	-	(44,000)	-
South Tees EMPH	-	(7,491)	7,491	-
North Tees Mental Health Support	1,757	11,358	(7,380)	5,735
Dfe Mentoring and Befriending	9	42,253	(42,262)	-
Father's Strategy South Tyneside	15,000	(7,962)	(7,038)	-
ACES Darlington	9,879	8,225	(18,104)	-
Family Group Conferencing	3,384	3,921	(4,728)	2,577
Mental Health Support Team	-	56,564	(3,769)	52,795
	486,167	162,195	32,647	681,009
Restricted funds				
Abbey Project	329,809	(11,422)	-	318,387
Parent Connectors	28,303	(6,164)	(9,145)	12,994
Tudor Trust	2,508	(2,508)	-	-
Mental Health Support Team	10,063	-	(10,063)	-
Ballinger Charitable Trust	24,431	(17,363)	(6,201)	867
CCG Neuro	-	4,138	(4,138)	-
HBC PPT	2,603	(575)	-	2,028
IV Spot Purchase	-	1,100	(1,100)	-
Know Your Neighbourhood	12,197	(10,197)	(2,000)	-
	409,914	(42,991)	(32,647)	334,276
TOTAL FUNDS	896,081	119,204	-	1,015,285

continued...

19. 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	16,546	(173,328)	(156,782)
Fixed Assets-	-	(1,900)	(1,900)
Training	42,570	(44,567)	(1,997)
Mediation	58,326	(48,933)	9,393
Designated funds			
Independent Visitor	24,999	(14,392)	10,607
Independent Visitor Expenses	29,391	(29,402)	(11)
Independent Visitor Teesside	40,909	(15,137)	25,772
IAPT 2022	12,115	(6,998)	5,117
Funds in a non charitable subsidiary	946,703	(781,575)	165,128
South Tees EMPH	-	(7,491)	(7,491)
North Tees Mental Health Support	100,273	(88,915)	11,358
Dfe Mentoring and Befriending	297,944	(255,691)	42,253
Father's Strategy South Tyneside	-	(7,962)	(7,962)
ACES Darlington	48,000	(39,775)	8,225
Family Group Conferencing	50,314	(46,393)	3,921
Mental Health Support Team	158,584	(102,020)	56,564
	1,826,674	(1,664,479)	162,195
Restricted funds			
Abbey Project	-	(11,422)	(11,422)
Parent Connectors	26,939	(33,103)	(6,164)
Tudor Trust	-	(2,508)	(2,508)
Ballinger Charitable Trust	-	(17,363)	(17,363)
CCG Neuro	77,949	(73,811)	4,138
HBC PPT	-	(575)	(575)
IV Spot Purchase	1,100	-	1,100
Know Your Neighbourhood	11,200	(21,397)	(10,197)
	117,188	(160,179)	(42,991)
TOTAL FUNDS	1,943,862	(1,824,658)	119,204

continued...

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	290,719	(77,773)	189,203	402,149
Revaluation Reserve	5,317	(175)	-	5,142
Fixed Assets	6,978	(2,141)	-	4,837
Training	21,801	7,090	(28,891)	-
Mediation	-	13,055	(13,055)	-
Designated funds				
Independent Visitor	-	1,587	(1,587)	-
Independent Visitor Expenses	-	287	(287)	-
Independent Visitor Teesside	-	5,472	(5,472)	-
Getting Help	333	3,366	(3,699)	-
IAPT 2022	396	(398)	2	-
Funds in a non charitable subsidiary	10	71,086	(71,086)	10
Tudor Trust Unrestricted	-	44,000	-	44,000
North Tees Mental Health Support	-	9,137	(7,380)	1,757
Dfe Mentoring and Befriending	-	4,169	(4,160)	9
Father's Strategy South Tyneside	-	19,650	(4,650)	15,000
ACES Darlington	-	15,929	(6,050)	9,879
Family Group Conferencing	-	7,217	(3,833)	3,384
	325,554	121,558	39,055	486,167
Restricted funds				
Abbey Project	341,231	(11,422)	-	329,809
Parent Connectors	26,121	10,695	(8,513)	28,303
Tudor Trust	-	2,508	-	2,508
Mental Health Support Team	6,402	23,455	(19,794)	10,063
Victoria Ward	6,277	(1,725)	(4,552)	-
Ballinger Charitable Trust	20,674	3,757	-	24,431
Comic Relief	6,267	(3,261)	(3,006)	-
HBC PPT	9,248	(6,645)	-	2,603
IV Spot Purchase	-	1,190	(1,190)	-
Know Your Neighbourhood	-	14,197	(2,000)	12,197
	416,220	32,749	(39,055)	409,914
TOTAL FUNDS	741,774	154,307	-	896,081

continued...

19. 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	68,266	(146,039)	(77,773)
Revaluation Reserve	-	(175)	(175)
Fixed Assets	-	(2,141)	(2,141)
Training	84,881	(77,791)	7,090
Mediation	67,320	(54,265)	13,055
Designated funds			
Independent Visitor	23,127	(21,540)	1,587
Independent Visitor Expenses	28,921	(28,634)	287
Independent Visitor Teesside	26,827	(21,355)	5,472
Getting Help	79,667	(76,301)	3,366
IAPT 2022	-	(398)	(398)
Funds in a non charitable subsidiary	709,706	(638,620)	71,086
Tudor Trust Unrestriced	44,000	-	44,000
North Tees Mental Health Support	103,296	(94,159)	9,137
Dfe Mentoring and Befriending	86,763	(82,594)	4,169
Father's Strategy South Tyneside	20,000	(350)	19,650
ACES Darlington	48,000	(32,071)	15,929
Family Group Conferencing	12,223	(5,006)	7,217
	1,402,997	(1,281,439)	121,558
Restricted funds			
Abbey Project	-	(11,422)	(11,422)
Parent Connectors	52,454	(41,759)	10,695
Tudor Trust	50,000	(47,492)	2,508
Mental Health Support Team	84,945	(61,490)	23,455
Victoria Ward	-	(1,725)	(1,725)
Ballinger Charitable Trust	20,000	(16,243)	3,757
Comic Relief	3,250	(6,511)	(3,261)
HBC PPT	-	(6,645)	(6,645)
IV Spot Purchase	1,190	-	1,190
Know Your Neighbourhood	33,200	(19,003)	14,197
	245,039	(212,290)	32,749
TOTAL FUNDS	1,648,036	(1,493,729)	154,307

continued...

19. MOVEMENT IN FUNDS - continued

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

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	290,719	(234,555)	555,299	611,463
Revaluation Reserve	5,317	(175)	-	5,142
Fixed Assets	6,978	(4,041)	-	2,937
Training	21,801	5,093	(26,544)	350
Mediation	-	22,448	(22,448)	-
Designated funds				
Independent Visitor	-	12,194	(12,194)	-
Independent Visitor Expenses	-	276	(276)	-
Independent Visitor Teesside	-	31,244	(31,244)	-
Getting Help	333	3,366	(3,699)	-
IAPT 2022	396	4,719	(5,115)	-
Funds in a non charitable subsidiary	10	236,214	(236,214)	10
Tudor Trust unrestriced	-	44,000	(44,000)	-
South Tees EMPH	-	(7,491)	7,491	-
North Tees Mental Health Support	-	20,495	(14,760)	5,735
Dfe Mentoring and Befriending	-	46,422	(46,422)	-
Father's Strategy South Tyneside	-	11,688	(11,688)	-
ACES Darlington	-	24,154	(24,154)	-
Family Group Conferencing	-	11,138	(8,561)	2,577
Mental Health Support Team	-	56,564	(3,769)	52,795
	325,554	283,753	71,702	681,009
Restricted funds				
Abbey Project	341,231	(22,844)	-	318,387
Parent Connectors	26,121	4,531	(17,658)	12,994
Mental Health Support Team	6,402	23,455	(29,857)	-
Victoria Ward	6,277	(1,725)	(4,552)	-
Ballinger Charitable Trust	20,674	(13,606)	(6,201)	867
CCG Neuro	-	4,138	(4,138)	-
Comic Relief	6,267	(3,261)	(3,006)	-
HBC PPT	9,248	(7,220)	-	2,028
IV Spot Purchase	-	2,290	(2,290)	-
Know Your Neighbourhood	-	4,000	(4,000)	-
	416,220	(10,242)	(71,702)	334,276
TOTAL FUNDS	741,774	273,511	-	1,015,285

continued...

19. 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	84,812	(319,367)	(234,555)
Revaluation Reserve	-	(175)	(175)
Fixed Assets	-	(4,041)	(4,041)
Training	127,451	(122,358)	5,093
Mediation	125,646	(103,198)	22,448
Designated funds			
Independent Visitor	48,126	(35,932)	12,194
Independent Visitor Expenses	58,312	(58,036)	276
Independent Visitor Teesside	67,736	(36,492)	31,244
Getting Help	79,667	(76,301)	3,366
IAPT 2022	12,115	(7,396)	4,719
Funds in a non charitable subsidiary	1,656,409	(1,420,195)	236,214
Tudor Trust Unrestriced	44,000	-	44,000
South Tees EMPH	-	(7,491)	(7,491)
North Tees Mental Health Support	203,569	(183,074)	20,495
Dfe Mentoring and Befriending	384,707	(338,285)	46,422
Father's Strategy South Tyneside	20,000	(8,312)	11,688
ACES Darlington	96,000	(71,846)	24,154
Family Group Conferencing	62,537	(51,399)	11,138
Mental Health Support Team	158,584	(102,020)	56,564
	3,229,671	(2,945,918)	283,753
Restricted funds			
Abbey Project	-	(22,844)	(22,844)
Parent Connectors	79,393	(74,862)	4,531
Tudor Trust	50,000	(50,000)	-
Mental Health Support Team	84,945	(61,490)	23,455
Victoria Ward	-	(1,725)	(1,725)
Ballinger Charitable Trust	20,000	(33,606)	(13,606)
CCG Neuro	77,949	(73,811)	4,138
Comic Relief	3,250	(6,511)	(3,261)
HBC PPT	-	(7,220)	(7,220)
IV Spot Purchase	2,290	-	2,290
Know Your Neighbourhood	44,400	(40,400)	4,000
	362,227	(372,469)	(10,242)
TOTAL FUNDS	3,591,898	(3,318,387)	273,511

continued...

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.

21. POST BALANCE SHEET EVENTS

The Charity, subsequent to the year end, has acquired a freehold property at a cost of £259,000 plus legal costs. The property is intended to be used as part of the Changing Futures Fostering Limited trade, once necessary regulatory approvals have been given.

In order to acquire the property, a loan of £260,000 was advanced by The Charity Bank.

Changing Futures North East

Detailed Statement of Financial Activities for the Year Ended 31 March 2025

	31.3.25 £	31.3.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	7,792	5,261
Investment income		
Deposit account interest	8,806	10,031
Charitable activities		
Grants	1,927,264	1,632,744
Total incoming resources	1,943,862	1,648,036
EXPENDITURE		
Charitable activities		
Wages	648,543	629,971
Social security	53,253	54,891
Pensions	26,614	14,466
Hire of plant and machinery	-	1,511
Telephone	2,593	3,756
Postage and stationery	1,513	262
Sundries	-	20,199
Project activities and marketing	163,824	56,642
Training	12,122	10,993
Professional fees	-	16,626
Website costs	1,453	2,562
Travelling	21,045	41,049
Consultancy fees	25,308	17,587
Subscriptions	14,540	9,311
Foster parent fees	516,600	423,148
	1,487,408	1,302,974
Support costs		
Management		
Wages	150,323	72,575
Social security	16,071	6,151
Pensions	3,092	2,154
Carried forward	169,486	80,880

Changing Futures North East

Detailed Statement of Financial Activities for the Year Ended 31 March 2025

	31.3.25	31.3.24
	£	£
Management		
Brought forward	169,486	80,880
Hire of plant and machinery	662	1,815
Premises expenses	21,732	10,385
Insurance	18,527	16,500
Light and heat	11,400	12,923
Telephone	3,201	4,115
Postage and stationery	3,711	4,732
Sundries	34,335	102
Travelling	8,492	3,590
Professional fees	17,242	5,356
Consultancy fees	1,162	1,057
Subscriptions	6,218	9,930
Training	2,334	883
Cleaning	9,543	6,662
	308,045	158,930
Finance		
Bank charges	3,660	709
Computer software	190	570
Freehold property	11,422	11,422
Computer equipment	1,710	1,571
Bank interest	523	753
	17,505	15,025
Governance costs		
Auditors' remuneration	11,700	11,700
Auditors' remuneration for non audit work	-	5,100
	11,700	16,800
Total resources expended	1,824,658	1,493,729
Net income	119,204	154,307

CHANGING FUTURES NORTH EAST

England & Wales - Charity number 1089347

Accounts

REGISTERED COMPANY NUMBER: 04009541 (England and Wales)
REGISTERED CHARITY NUMBER: 1089347

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2024

for

Changing Futures North East

Inspire Compliance Limited
Chartered Accountants
Registered Auditors
6 Queens Court
Third Avenue
Team Valley
Gateshead
Tyne and Wear
NE11 0BU

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Changing Futures North East

Reference and Administrative Details
for the Year Ended 31 March 2024

TRUSTEES	D R Blackith A N Jackson D M Jeffery Ms G M Lamb Ms D M Robertson A Steel
COMPANY SECRETARY	A Jackson
REGISTERED OFFICE	3 Abbey Street Headland Hartlepool TS24 0JR
REGISTERED COMPANY NUMBER	04009541 (England and Wales)
REGISTERED CHARITY NUMBER	1089347
INDEPENDENT AUDITORS	Inspire Compliance Limited Chartered Accountants Registered Auditors 6 Queens Court Third Avenue Team Valley Gateshead Tyne and Wear NE11 0BU
BANKERS	Co-Operative Bank plc Olympic House 6 Olympic Court Off Montford Street Salford M5 2QP

Changing Futures North East

Chairman's Report
for the Year Ended 31 March 2024

Since my last report, the Charity has continued to help children to be safer, feel more secure, and have the foundations to do well. It has done this do this by improving the quality of family member relationships and supporting young people in making new relationships primary with adults and also people their own age.

Schools are reporting an ever-increasing rise in students with anxiety, students needing support with mental health, increasing exclusions, and falling attendance. Consequently, the Charity has continued to respond with a strong partnership offer across Tees Valley, as part of the Mental Health Support Teams and "Getting Help" provision through providing evidence based psychological therapies and children's counselling, alongside a programme working with adults to understand the impact of their own traumas on them and the current home situation and make practical plans to ameliorate this impact.

In 2023, at the Strategy Day, Directors and key staff explored a vision for the future that would provide a secure future for the Charity and allow it to grow. Largely this confirmed the organisations focus on:

- Enabling collaboration of parenting relationships and family relationships, with any conflict well managed
- Supporting young people who need to be in the care of local authorities.
- Enabling young people to have a variety of relationships that matter to them and enable their positive development.

The Charity operates fostering through a subsidiary company, and it has been decided to consult with stakeholders with a view to bringing the separate legal entities together under CFNE to increase operating efficiency and ensure as much money as possible goes to local children and families. The current operating structure is unwieldly, leads to duplication, and thousands of pounds a year in additional costs.

The Board are thrilled that Changing Futures Fostering have secured a "good" from both the Ofsted inspection in 2022 and more recently in 2024. This provides a good base as we try to move forward on opening a children's home. Progress on this has been slower than hoped due to issues with availability of properties without restrictive covenants. The management team are focused on securing a suitable property as soon as possible.

Fostering growth has been challenging due to a tough market and limited internal capacity. Consequently, we are outsourcing the marketing and call handling function and hope to see improvements following this change. The number of placements is pretty consistent, with a high number of long-term placements. A new Supervising Social Worker has been appointed to enable the Manager to continue to focus on agency development.

The funding for much of our work is now contract based and can be traced back to government funding. Outside of support for young people in care (which is a priority area for local government and statutory obligation) other funds are uncertain and we await the new budget with interest and hope. However, the Charity has built a good reserves base that provides some security.

As the Charity has continued to mature and build a strong skills base on the board, it has continued to strengthen it's subcommittee structure. Notably the HR, Safeguarding, Contract Performance and Project Development, Health & Safety and Finance subgroups have been particularly active, and the pay and conditions subgroup has continued to perform well. My thanks to the trustees who lead these sub-groups and give up so much of their additional and scarce time.

I would like to thank the Board for the support as ever. I would also like to thank Di Robertson, who has stepped into the Chair in my absence and agreed to take the role of Vice Chair.

I would also like to thank the staff team and our large volunteer base for their continued hard work, commitment and support. The Charity has enabled such a lot of positive change in this last year or so, and it is your relentless focus on doing your best for children and families that lies behind this.

Ms G M Lamb - Chairperson

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 2024. 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

The objects of the Charity (as amended on 10th July 2019) are:

specifically restricted for the public benefit to the promotion of the upbringing and care of children and young people in need from all backgrounds, cultures, and faiths or none, in particular by:

- Promoting their better care and safeguarding them.
- Providing assistance to them and their families and carers
- Promoting their health
- Promoting their education and establishment in life.

The charity promotes the benefit of children and young people in particular through recognition of the interconnectedness of human systems and the role of the family and the community in creating the environmental conditions to enable children and young people to thrive.

Our vision, mission and key strategies

The Charity is founded on the fundamental belief that relationships matter to people. They can catalyse joy. They can lead to profound misery. People with a variety of strong, healthy relationships are better able to thrive, and better deal with challenges presented by life. Through enhancing the relational resources available to children, family members, and community members and indeed those agencies and workers that make up the village around the family, the Charity seeks to bring about lasting social change.

Vision

- We will help create a society where every child and young person has opportunity to be supported by the full range of healthy relationships they need to thrive.
- This will help break intergenerational cycles of trauma, poverty and deprivation.

Mission

To help children, families and communities to flourish:

- Enabling families to have the relational resources and resilience they need to thrive
- Promoting and supporting parental and other key relationships
- Enabling development of relationships that heal and create or nurture resilience to the impacts developmental and other life trauma

Beliefs

- Everyone has potential - our role is to help people unlock this and achieve the things that matter to them
- Parents love their children - and this love needs to be acknowledged, worked with, and respected
- Parental relationships matter - we must be curious about them and support them where needed, particularly given the critical impact inter-parental relationships have on children
- Wider relationships matter - people stand the best chance of thriving with a variety of positive family, peer, and other relationships

- Workplace relationships matter - healthy and supportive workplace relationships are good for people at work, and they help them help people in the community better too
- Systems affect children, change and performance - we need to understand and work across the range of relationships, agencies and actors that surround families to best enable positive change

Values

- Ambitious - We're ambitious for children and families and set ambitious goals that help us to help them.
- Integrity & Pride - We provide and celebrate the type of help we believe in.
- Innovation and Competence - We seek to enter and maintain a focus in spaces where we know we can do things well.
- Collaborative - We recognise we are at our best when we collaborate inside and outside the organisation
- Empowering - We know that giving our staff, volunteers and families the tools, support and confidence to enable changes, gives best results.
- Safe - People deserve to be safe in their relationships, in the community and the workplace and we will try to make sure they are.

Our history and current focus

The modern 'Changing Futures' is a relationship focused agency, with a special focus on working with people who've experienced trauma, that works across North East England. We are more interested in what's happened to people than what's wrong with people. We try to avoid labelling and stigmatising language (and encourage some parts of wider systems to reframe how they see and think about the people they work with).

The relational focus that underpins our work dates back to the very founding of the organisation, when it's sole focus was as an estate-based youth provider on the Headland of Hartlepool. Around 1997, a group of Headland residents and development workers banded together to consult young people as to their needs, and how they might better be met through youth provision in the area. The culmination of this work was the development of the Abbey Street Youth Project, led by a young person's steering group and supported by the wider community. At this point, the organisation formalised as Headland Future Limited. The emphasis of Headland Future's youth work was social and informal education. The nurturing of relationships, bringing together people of shared passions in "communities of interest" and an emphasis on enabling young people to enjoy and achieve were more of a focus than issue-based work.

The Charity still pursues its original mission to improve the lives of children and young people. Over time, the work of the organisation has shifted, based on learning that for many young people, direct work with them can only have so much impact. At times, but not always, change can be best enabled when the family context children live in is warm, nurturing, and free of poorly managed conflict. Healthy parental relationships have a particular impact on children's welfare and wellbeing.

Parenting children who've experienced trauma is particularly challenging, be it for birth parents, foster carers or staff taking care of children in residential settings. We have a particular emphasis on enabling parents, carers and workers to understand the impact of trauma and to parent or work in a trauma informed way. Ensuring that parents, carers and workers are well supported, and have their core needs attended to, is critical to enabling them to meet children's needs well.

We are acutely conscious that too many children are living often many miles away from their loved ones because of shortages in local foster homes and residential placements. We are also saddened that too many young people leave care with few or no loving or trusting relationships with adults. A substantial focus for our organisation is to help address these issues through direct provision of placements (for instance through Changing Futures Fostering, our subsidiary company) and through long term support.

The people we work with

The Charity has the privilege to work with children, young people, families and organisations in the North East of England, particularly in the Tees Valley, Hartlepool and Darlington.

The parents and organisations we work with are passionate about meeting the needs of children, and have a range of superb assets at their disposal. The children we work with care about their parents, their siblings and their peers, and want to enjoy life and succeed. The individuals we work with care about the people in their lives and want to be happy.

It is an unfortunate truth that many of those that ask for our help have been through forms of hardship (for instance, poverty, the trauma of losing a loved one, bullying, conflict laden and sometimes violent relationships, abuse, neglect) and that difficulties in their lives have left them with challenges that they are struggling to overcome successfully. However, they have shown much resilience, determination, and loyalty to others in their lives; our job, when asked, is to help people to draw on these assets and build on their strengths, identifying their own goals and then catalysing their own change.

We target different help to different groups, for instance separated families, parents in relationships, children in care, other young people and families.

The majority of families who accessed separation support had low incomes, and most former couples were in long term conflict. Evidence shows poorly managed and enduring couple conflict is highly detrimental to children's outcomes (especially when combined with material deprivation). Conflict where there are financial difficulties, or children and families live in poverty, is far more likely to result in poorer outcomes for children. Following the DWP investing in supporting Councils to better support parental conflict, and our own local work, we have refocused our help towards those families with more complex situations where specialist help is likely to be needed. We have also focused on helping train, coach and support the wider children's workforce to better support parental relationships.

Much of the Charity's work is with people living in deprived communities (in Hartlepool the majority of the people we work with live in areas where children's outcomes are worse than in other areas, and there is material poverty). Some of the Charity's work is specifically targeted towards those that have suffered multiple disadvantages. Some work is focused on enabling people to develop the strengths and resources to avoid hardship through preventative programmes and collaboration with other agencies.

The people who enable change for children and families

Firstly, a huge thank you to the parents and children who have let us into their lives. We support you to draw on your innate talents and skills, and to make your own change. We are privileged to be invited in to help.

A huge thankyou as well to the 29 staff and 88 volunteers who provide this help to children and families, in addition to 6 people who volunteered as Trustees. The Charity would like in particular to thank these committed individuals who give up so much of their free time to support people in the community. Without this help we would be unable to provide anywhere near the current level and quality of service.

STRATEGIC REPORT

Achievement and performance

Charitable activities

Objectives - Direct help

- Deliver and broaden our community and parent peer support services to help people build connections that enable changes for their families and communities
- Ensure delivery of a therapeutic fostering offer that has peer support at its core
- Sustainably expand our Independent Visitors offer, and to pilot a mentoring offer
- Maintain an emotional wellbeing offer that increases access for children and families to psychological services
- Retain specialist couple relationship work as a core part of the organisation's portfolio; maintain and where possible grow our mediation offer and reducing parental conflict consultancy and training
- Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies

The Charity helped 2269 people through its service provision compared to 2251 people in 22/23 and 1785 in 2021/22.

Direct beneficiaries

Emotional Wellbeing	Reducing Parental Conflict	Youth & Community
841	448	219

The table below shows numbers of people who benefited from our help. Direct beneficiaries are people we worked with ourselves; indirect beneficiaries are usually children (where we have worked with their parents to help resolve conflict, improve parenting capacity or resolve a legal dispute).

Year	Practitioners	Direct beneficiaries	Indirect beneficiaries (estimated)	Total
23/24	223	1508	761	2269
22/23	197	1463	591	2251
21/22	25	1158	627	1785
20/21	20	674	367	1061
19/20	30	366	265	611
18/19	32	384	234	650

Deliver and broaden our community and parent peer support services to help people build connections that enable changes for their families and communities

Parents Pulling Together is a three-year parent led universal peer support and parenting service in Hartlepool, delivered in partnership with Hartlepool Borough Council. It is funded through the National Lottery Communities Fund. It has been bolstered with extra support from the lottery "Know Your Neighbourhoods" grant scheme, enabling a sharper focus on engaging parents who would not otherwise have accessed help.

At the heart of Parents Pulling Together is the philosophy that parents are best places to help other parents. Consequently, all of the groups are delivered either through:

- Parent Connectors, paid for by the National Lottery Communities Fund, who accessed the "being a parent" groupwork programme themselves, learned loads from it, and delivered it substantially as volunteers. They then took up paid positions so they could dedicate even more time to delivering the programme. We employ three people in this role.

- Parent Group Leaders - parents who volunteer their time to deliver programmes. Over the past year we've trained new Parent Group Leaders.

Parent Connector staff and a number of parent volunteers have run groupwork programmes across schools in Hartlepool. An evaluation is ongoing and will be reported on next year.

Ensure delivery of a therapeutic fostering offer

Funding has been given to Changing Futures Fostering Limited to deliver a fostering service to benefit children in North East England. The agency achieved a 'good' rating from Ofsted at its first inspection.
There are a small number of children placed with a growing number of foster families. The agency launched during the pandemic and was challenged by the impact of Covid on foster parent applications but has subsequently thrived and has a good number of children in placement, many of whom are long term matched.

The therapeutic model has been well received by foster parents. Feedback from foster parents about the quality of training and support they receive is excellent and children and young people are making good, solid, evidenced progress. The agency has passed break even point and is now generating a surplus.

Maintain and expand an emotional wellbeing offer that increases access for children and families to psychological services

- **Living Well Project**

We secured separate finance from the Clinical Commissioning Group to pilot "Adverse Childhood Experiences" (ACES) groups to families whose children haven't been picked up for a neurodevelopmental assessment because they feel that family members would better benefit from help to understand and process some of the trauma, they have experiences in life. Rockpool (who are the owners of the programme we deliver) succinctly explain what ACES are any why helping people who have experienced ACES matters:

Adverse Childhood Experiences (ACEs) are stressful or traumatic experiences, including abuse, neglect and a range of household dysfunctions such as witnessing domestic violence or growing up with substance abuse, mental illness, parental discord or incarceration. Living with ACEs results in individuals developing coping and lifestyle strategies that are based on poor parental attachment and the effects of trauma.

- **Improving Access to Psychological Therapies (IAPT) for Children, Young People and Families**

We have been pleased to offer children and families emotional wellbeing support through a range of interventions including low intensity cognitive behavioural therapy (CBT), high intensity CBT, systemic family work and parenting support. We do this through partnerships in both North and South Teesside.
Our staff have offered low and high intensity CBT, youth work interventions, parenting, relationship support and children's counselling services.

- **Mental Health Support Teams**

Mental Health Support Teams seek to improve young people's emotional wellbeing through:

- Delivering evidence based interventions (largely low intensity CBT)
- Supporting a senior mental health lead in each education setting to introduce or develop their whole school/college approach to supporting young people's emotional wellbeing
- Giving timely advice to school and college staff, and liaising with external specialist services, to help children and young people to get the right support and stay in and do well in education

The Link has partnered with five other organisations in South Tees (Middlesbrough, Redcar) including Changing Futures to deliver Mental Health Support Teams there.

Alliance has partnered with Changing Futures in North Tees (Hartlepool, Stockton) to expand Mental Health Support Teams there.

- **Sustainably expand our Independent Visitors offer**

Independent Visitors guide, advise, listen to and befriend young people in care, sharing their experiences as well as trying new activities and spending quality time together. The Charity now offers Independent Visitors to young people in Hartlepool, Stockton, Middlesbrough, Darlington and Redcar. There has been growth in the number of young people supported. There are now 56 children with a befriender in Tees Valley.

We operate under an evidence-based theory of change that shows that healthy independent visitor relationships with looked after children can mitigate harm, improve stability and help children achieve positive outcomes. Therefore, we measure success for this service based on the quality of the relationship. Once again, over 90% of children who accessed the service reported that they gained a trusted friend/adult and all, but a few children rated the quality of the relationship as 9/10 or 10/10 (10/10 being excellent).

The Independent Review of Children's Social Care highlights that many children in care leave home with no or few loving relationships, and one of the "obsessions" is that "No young person should leave care without at least two loving relationships". We think there is huge scope of development of Independent Visitors to include mentoring, particularly targeted at young people with few stable relationships in residential care and extending support to age 25. We have secured funding to pilot a mentoring approach in Teesside and will report on the results of the project in the next report.

- **Maintain and where possible grow our mediation offer**

Tees Valley Mediation is the trading name for our Mediation service and traditionally provided mediation in Tees Valley and East Durham. Mediation enables couples to resolve a legal dispute usually around children but also in connection with their finance arrangements following a separation or divorce.

We provide both private and legally aided mediation. Supply of legal aid services continues to be challenging, as there has been no uplift in fees for many years. Inflation always erodes profitability, but recent inflationary pressures have created additional strain. We have submitted a tender to continue to provide the service.

The current position is that around 50% of mediation delivery must be face to face, unless we agree otherwise with our contract officer. We always offer people the choice of a face to face appointment. In 2023/24:

- Referrals into mediation were 363 this year, which decreased from 22/23. From these referrals we supported 279 people with an initial piece of work
- 87 couples then went on to engage in mediation which is a slight decrease on the year before
- 48 couples were able to reach an agreement.

- **Maintain and expand reducing parental conflict consultancy and training**

Changing Futures has worked with 5 local authorities to deliver a combination of training, consultancy support, direct delivery and coaching and mentoring of staff.

In some areas we have co-delivered (with local staff members) groupwork programmes to separated parents as well assisting Local Authorities to implement specialist relationship interventions.

An interim evaluation has been slightly delayed and will be published in the next annual report.

- **Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies**

Objectives - Business objectives

- Refine and finalise a strategic plan for the next 5 to 10 years that covers core priorities of family systems, trauma and neglect, care experienced children and parental relationships.
- Strengthen participation work across major strands of work
- Continue to build and refine quality systems
- Increase expertise in management of services for care experienced young people and adults on the Board, and add further financial experience

The Board have consulted with a variety of stakeholders including staff and beneficiaries and formulated an outline strategy which will be further refined in coming years. Efforts are underway to broaden the skills base on the board as the organisation continues to develop.

Quality systems have been further developed and external accreditations are being explored.

A participation plan is in place and a number of events have taken place in 2024.

STRATEGIC REPORT

Financial review

Reserves policy

The Board determined in its 2015-2021 strategy that free reserves of £225,000 should be targeted, and that free reserves should grow on average by 4% of turnover per annum over the lifetime of the strategy. This target was achieved.

At 31/03/2023 £312,530 was held in free reserves and by 31/3/2024 this had increased to £401,899. Whilst the Trustees aspire to achieve a growth in reserves equal to at least 4% of turnover they are mindful of the need to pay fairly, invest in the main premises and to invest in new ventures to support looked after children. Consequently, they view the 4%+ target as a longer term aim that should be realised consistently by financial year 2027/28.

Year	Annual Change	Income in Year	Growth as % of income	Average to date
14/15 to 15/16	£60,248	£731,349	8.3%	8.3%
15/16 to 16/17	(£3,014)	£649,706	(0.5%)	3.9%
16/17 to 17/18	(£14,314)	£577,982	(2.5%)	1.8%
17/18 to 18/19	£34,231	£535,141	6.4%	2.8%
18/19 to 19/20	£89,250	£757,494	11.8%	4.3%
19/20 to 20/21	£17,828	£840,863	2.1%	4.3%
20/21 to 21/22	(£33,416)	£903,559	(3.7%)	3.2%
21/22 to 22/23	(£2,627)	£893,570	(0.3%)	2.3%
22/23 to 23/24	£89,379	£884,997	10.1%	3.5%

Targeted investment has been made in activities of importance to the development of the Charity in this current financial year.

- **Reserves policy rationale**

The Trustees consider that the performance of the Charity over the period is satisfactory. However, in their annual risk review the trustees commented again on current and future economic conditions and political considerations creating or adding to uncertainly in the funding environment:

- Inflation and its impact on reducing the effective value of reserves, and pressures on budgets
- Reliance on sales generally to draw in revenue
- Uncertainly about governments priorities in relation to children's services and social care, in part following the last election and change in government
- Pressure on local government and central government finances, which seems unlikely to radically improve quickly
- High competition for contracts and grant

The Board have considered how best the organisations strategic aims and objectives can be achieved in the context of the current and predicted environment and the organisations strengths and weaknesses. Their view is that sufficient reserves should be held to:

- Safeguard a limited number of services to vulnerable beneficiaries in the short term, until either replacement funding can be secured, other services can be brought in to offer support, or needs can be met by the Charity
- Providing working capital to ensure restricted funding remains restricted, and ensure that adequate funds are held to account for late debtors

- To cover liabilities in the unlikely event that the Charity is wound up

- To enable investment in development of new services, subject to a strong business case and likelihood of sustainable income and good outcomes for children being generated by such services

Reserves should be managed in a way that, where it is necessary to hold them, they generate the best possible return for the Charity (including both financial and social return).

In respect of investment in development of new services, the Board are committed to investment in residential care because:

- The Board believe that this provision would meet an under-met need in an area with increasing demand

- It builds from the organisations core competencies in supporting children and young people through a therapeutic parenting offer, and of addressing neglect and trauma

- It helps meet the organisations charitable objects

- It links to one of the priority areas of spending for Local Authorities - there is and will remain a statutory obligation to safeguard vulnerable children

Investment would be likely to be paired with loan finance.

Quality Assurance & Complaints

Changing Futures North East is committed to standardising processes to ensure quality in multiple areas of business operations. Consequently, the Charity pursues securing and maintaining relevant quality marks.

No formal complaints were received in 2023/24, as opposed to 1 in the previous financial year.

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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Changing Futures North East for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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;
- 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.

AUDITORS

The auditors, Inspire Compliance Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20/11/24 and signed on the board's behalf by:

G. Lamb

Ms G M Lamb - Trustee

Report of the Independent Auditors to the Trustees of Changing Futures North East

Opinion

We have audited the consolidated financial statements of Changing Futures North East (the 'charitable company') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the consolidated Statement of Financial Position, the Statement of Cash Flows 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 2024 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material mistatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or international misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

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 Trustees of Changing Futures North East

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Inspire Compliance Limited

Inspire Compliance Limited
Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
6 Queens Court
Third Avenue
Team Valley
Gateshead
Tyne and Wear
NE11 0BU

Date: 16/12/2024

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,261	-	5,261	4,209
Charitable activities	5				
Systems Change Work		-	88,904	88,904	126,102
Couple and family relationships		152,201	32,223	184,424	219,354
Working with children and young people		430,014	52,722	482,736	343,457
Core support		43,641	70,000	113,641	85,000
Employment support		-	-	-	110,271
Fostering service		763,039	-	763,039	353,410
Other trading activities	3	-	-	-	5,115
Investment income	4	10,031	-	10,031	62
Total		1,404,187	243,849	1,648,036	1,246,980
EXPENDITURE ON					
Charitable activities	6				
Systems Change Work		2	75,643	75,645	198,745
Couple and family relationships		132,056	5,356	137,412	170,536
Working with children and young people		362,410	56,134	418,544	455,020
Core support		95,018	75,157	170,175	-
Employment support		-	-	-	150,420
Fostering service		691,953	-	691,953	348,064
Total		1,281,439	212,290	1,493,729	1,322,785
NET INCOME/(EXPENDITURE)		122,748	31,559	154,307	(75,805)
Transfers between funds	20	37,865	(37,865)	-	-
Net movement in funds		160,613	(6,306)	154,307	(75,805)
RECONCILIATION OF FUNDS					
Total funds brought forward		325,554	416,220	741,774	817,579
TOTAL FUNDS CARRIED FORWARD		486,167	409,914	896,081	741,774

The notes form part of these financial statements

Consolidated Statement of Financial Position
31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Intangible assets	12	190	-	190	760
Tangible assets	13	9,964	329,809	339,773	352,766
		10,154	329,809	339,963	353,526
CURRENT ASSETS					
Debtors	15	258,732	53,009	311,741	90,219
Investments	16	86,376	-	86,376	81,203
Cash at bank and in hand		284,998	27,096	312,094	319,490
		630,106	80,105	710,211	490,912
CREDITORS					
Amounts falling due within one year	17	(139,021)	-	(139,021)	(77,755)
NET CURRENT ASSETS		491,085	80,105	571,190	413,157
TOTAL ASSETS LESS CURRENT LIABILITIES		501,239	409,914	911,153	766,683
CREDITORS					
Amounts falling due after more than one year	18	(15,072)	-	(15,072)	(24,909)
NET ASSETS		486,167	409,914	896,081	741,774
FUNDS	20				
Unrestricted funds				486,167	325,554
Restricted funds				409,914	416,220
TOTAL FUNDS				896,081	741,774

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements

Statement of Financial Position - continued
31 March 2024

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.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 20.11.24 and were signed on its behalf by:

G. Lamb

Ms G M Lamb - Trustee

The notes form part of these financial statements

Charity Statement of Financial Position
31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Intangible assets	12	190	-	190	760
Tangible assets	13	9,964	329,809	339,773	352,766
Investments	14	10	-	10	10
		10,164	329,809	339,973	353,536
CURRENT ASSETS					
Debtors	15	318,339	53,009	371,348	120,852
Investments	16	86,376	-	86,376	81,203
Cash at bank and in hand		160,580	27,096	187,676	252,229
		565,295	80,105	645,400	454,284
CREDITORS					
Amounts falling due within one year	17	(74,220)	-	(74,220)	(41,137)
NET CURRENT ASSETS		491,075	80,105	571,080	413,147
TOTAL ASSETS LESS CURRENT LIABILITIES		501,239	409,914	911,153	766,683
CREDITORS					
Amounts falling due after more than one year	18	(15,072)	-	(15,072)	(24,909)
NET ASSETS		486,167	409,914	896,081	741,774
FUNDS	20				
Unrestricted funds				486,167	325,554
Restricted funds				409,914	416,220
TOTAL FUNDS				896,081	741,774

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

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Statement of Financial Position - continued
31 March 2024

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These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 20.11.24 and were signed on its behalf by:

G. Lamb

Ms G M Lamb - Trustee

The notes form part of these financial statements

Changing Futures North East

Statement of Cash Flows
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	15,743	(27,048)
Interest paid		(753)	-
Net cash provided by/(used in) operating activities		14,990	(27,048)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(4,326)
Interest received		10,031	62
Net cash provided by/(used in) investing activities		10,031	(4,264)
Cash flows from financing activities			
Loan repayments in year		(9,831)	(53,868)
Increase in short term deposits		(5,173)	-
Net cash used in financing activities		(15,004)	(53,868)
Change in cash and cash equivalents in the reporting period		10,017	(85,180)
Cash and cash equivalents at the beginning of the reporting period	2	290,716	375,896
Cash and cash equivalents at the end of the reporting period	2	300,733	290,716

The notes form part of these financial statements

Notes to the Statement of Cash Flows for the Year Ended 31 March 2024

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24 £	31.3.23 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	170,158	(75,805)
Adjustments for:		
Depreciation charges	13,563	13,763
Interest received	(10,031)	(62)
Interest paid	753	-
(Increase)/decrease in debtors	(221,522)	42,444
Increase/(decrease) in creditors	62,822	(7,388)
Net cash provided by/(used in) operations	15,743	(27,048)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.24 £	31.3.23 £
Cash in hand	635	-
Notice deposits (less than 3 months)	311,459	319,490
Overdrafts included in bank loans and overdrafts falling due within one year	(11,361)	(28,774)
Total cash and cash equivalents	300,733	290,716

The notes form part of these financial statements

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	319,490	(7,396)	312,094
Bank overdraft	(28,774)	17,413	(11,361)
	290,716	10,017	300,733
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	81,203	5,173	86,376
	81,203	5,173	86,376
Debt			
Debts falling due within 1 year	(9,893)	(6)	(9,899)
Debts falling due after 1 year	(24,909)	9,837	(15,072)
	(34,802)	9,831	(24,971)
Total	337,117	25,021	362,138

The notes form part of these financial statements

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
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors in deferred income. Where entitlement occurs before income is received, the income is accrued.

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 under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% 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.

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.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1. ACCOUNTING POLICIES - continued

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.

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Donations	5,261	4,209

3. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Fundraising events	-	5,115

4. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	10,031	62

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.24	31.3.23
		£	£
Grants	Systems Change Work	88,904	126,102
Grants	Couple and family relationships	184,424	219,354
Grants	Working with children and young people	482,736	343,457
Grants	Core support	113,641	85,000
Grants	Employment support	-	110,271
Grants	Fostering service	763,039	353,410
		1,632,744	1,237,594

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Systems Change Work	75,645	-	75,645
Couple and family relationships	137,412	-	137,412
Working with children and young people	418,544	-	418,544
Core support	-	170,175	170,175
Fostering service	671,373	20,580	691,953
	1,302,974	190,755	1,493,729

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Core support	148,477	14,536	16,800	170,175
Fostering service	20,091	489	-	20,580
	158,930	15,025	16,800	190,755

8. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23
	£	£
Auditors' remuneration	11,700	8,000
Other non-audit services	5,100	4,300
Depreciation - owned assets	12,993	13,193
Hire of plant and machinery	3,326	686
Computer software amortisation	570	570

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

10. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	702,546	572,828
Social security costs	61,042	127,146
Other pension costs	16,620	11,681
	780,208	711,655

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

	31.3.24	31.3.23
Charitable services	20	22
Management and administration	6	6
Fostering	3	3
	29	31

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,209	-	4,209
Charitable activities			
Systems Change Work	64,352	61,750	126,102
Couple and family relationships	144,462	74,892	219,354
Working with children and young people	222,047	121,410	343,457
Core support	-	85,000	85,000
Employment support	-	110,271	110,271
Fostering service	353,410	-	353,410
Other trading activities	5,115	-	5,115
Investment income	62	-	62
Total	793,657	453,323	1,246,980

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Systems Change Work	49,451	149,294	198,745
Couple and family relationships	153,490	17,046	170,536
Working with children and young people	297,258	157,762	455,020
Core support	-	-	-
Employment support	14,951	135,469	150,420
Fostering service	348,064	-	348,064
Total	863,214	459,571	1,322,785
NET INCOME/(EXPENDITURE)	(69,557)	(6,248)	(75,805)
Transfers between funds	22,122	(22,122)	-
Net movement in funds	(47,435)	(28,370)	(75,805)
RECONCILIATION OF FUNDS			
Total funds brought forward	372,989	444,590	817,579
TOTAL FUNDS CARRIED FORWARD	325,554	416,220	741,774

12. INTANGIBLE FIXED ASSETS

Group and Charity

	Computer software £
COST	
At 1 April 2023 and 31 March 2024	4,280
AMORTISATION	
At 1 April 2023	3,520
Charge for year	570
At 31 March 2024	4,090
NET BOOK VALUE	
At 31 March 2024	190
At 31 March 2023	760

13. TANGIBLE FIXED ASSETS

Group and Charity

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2023 and 31 March 2024	571,080	9,615	117,082	697,777
DEPRICIATION				
At 1 April 2023	224,532	9,615	110,864	345,011
Charge for year	11,422	-	1,571	12,993
At 31 March 2024	235,954	9,615	112,435	358,004
NET BOOK VALUE				
At 31 March 2024	335,126	-	4,647	339,773
At 31 March 2023	346,548	-	6,218	352,766

14. FIXED ASSET INVESTMENTS

Charity

	Investment in subsidiary £
COST	
At 1 April 2023 and 31 March 2024	10
NET BOOK VALUE	
At 31 March 2024	10
At 31 March 2023	10

PRINCIPAL SUBSIDIARY

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office or principal place of business	Holding
Changing Futures Fostering Limited	11976708	3 Abbey Street, Hartlepool, TS24 0JR	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Changing Futures Fostering Limited	**763,039**	**(763,039)**	**10**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	308,686	48,776	232,911	26,814
Amounts owed by group undertakings			138,437	67,271
Prepayments and accrued income	3,055	41,443	-	26,767
	311,741	90,219	371,348	120,852

16. CURRENT ASSET INVESTMENTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Listed investments	86,376	81,203	86,376	81,203

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31.3.24 £	Group 31.3.23 £	Charity 2024 £	Charity 2023 £
Bank loans and overdrafts (see note 19)	21,260	38,667	9,899	9,893
Trade creditors	69,446	7,727	36,392	3,892
Other taxation and social security	18,957	17,254	16,229	15,052
Accruals and deferred income	29,358	14,107	11,700	12,300
	139,021	77,755	74,220	41,137

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and Charity

	31.3.24	31.3.23 £
Bank loans (see note 19)	15,072	24,909

19. LOANS

Group and Charity

An analysis of the maturity of loans is given below:

	31.3.24	31.3.23
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	11,361	28,774
Bank loans	9,899	9,893
	21,260	38,667
Amounts falling due between two and five years:		
Bank loans - 2-5 years	15,072	24,909

20. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	290,719	(77,773)	188,953	401,899
Revaluation Reserve	5,317	(175)	-	5,142
Fixed Assets	6,978	(2,141)	-	4,837
Training	21,801	7,090	(28,891)	-
Mediation	-	13,055	(13,055)	-
Designated funds				
Independent Visitor	-	1,587	(1,587)	-
Independent Visitor Expenses	-	287	(37)	250
Independent Visitor Teesside	-	5,472	(5,472)	-
Getting Help	333	3,366	(3,699)	-
IAPT 2022	396	(398)	2	-
Funds in a non charitable subsidiary	10	71,086	(71,086)	10
Tudor Trust Unrestricted	-	44,000	-	44,000
North Tees Mental Health Support Team	-	9,137	(7,380)	1,757
IV Spot Purchase	-	1,190	(1,190)	-
Dfe Mentoring and Befriending	-	4,169	(4,160)	9
Fathers' Strategy South Tyneside	-	19,650	(4,650)	15,000
ACES Darlington	-	15,929	(6,050)	9,879
Family Group Conferencing	-	7,217	(3,833)	3,384
Total unrestricted and designated funds	325,554	122,748	37,865	486,167
Restricted funds				
Abbey Project	341,231	(11,422)	-	329,809
National Lottery Community Fund – RC North East and Cumbria Region	26,121	10,695	(8,513)	28,303
Tudor Trust	-	2,508	-	2,508
Mental Health Support Team	6,400	23,455	(19,794)	10,061
Victoria Ward	6,277	(1,725)	(4,552)	-
Ballinger Charitable Trust	20,674	3,757	-	24,431
Comic Relief	6,269	(3,261)	(3,006)	2
HBC PPT	9,248	(6,645)	-	2,603
National Lottery Community Fund - Know Your Neighbourhood	-	14,197	(2,000)	12,197
Total restricted funds	416,220	31,559	(37,865)	409,914
TOTAL FUNDS	741,774	154,307	-	896,081

20. 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	14,933	(92,706)	(77,773)
Revaluation Reserve	-	(175)	(175)
Fixed Assets	-	(2,141)	(2,141)
Training	84,881	(77,791)	7,090
Mediation	67,320	(54,265)	13,055
Designated funds			
Independent Visitor	23,127	(21,540)	1,587
Independent Visitor Expenses	28,921	(28,634)	287
Independent Visitor Teesside	26,827	(21,355)	5,472
Getting Help	79,667	(76,301)	3,366
IAPT 2022	-	(398)	(398)
Funds in a non charitable subsidiary	763,039	(691,953)	71,086
Tudor Trust Unrestricted	44,000	-	44,000
North Tees Mental Health Support Team	103,296	(94,159)	9,137
IV Spot Purchase	1,190	-	1,190
Dfe Mentoring and Befriending	86,763	(82,594)	4,169
Fathers' Strategy South Tyneside	20,000	(350)	19,650
ACES Darlington	48,000	(32,071)	15,929
Family Group Conferencing	12,223	(5,006)	7,217
Total unrestricted and designated funds	1,404,187	(1,281,439)	122,748
Restricted funds			
Abbey Project	-	(11,422)	(11,422)
National Lottery Community Fund – RC North East and Cumbria Region	52,454	(41,759)	10,695
Tudor Trust	50,000	(47,492)	2,508
Mental Health Support Team	84,945	(61,490)	23,455
Victoria Ward	-	(1,725)	(1,725)
Ballinger Charitable Trust	20,000	(16,243)	3,757
Comic Relief	3,250	(6,511)	(3,261)
HBC PPT	-	(6,645)	(6,645)
National Lottery Community Fund - Know Your Neighbourhood	33,200	(19,003)	14,197
Total restricted funds	243,849	(212,290)	31,559
TOTAL FUNDS	1,648,036	(1,493,729)	154,307

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	282,714	(95,059)	103,064	290,719
Revaluation Reserve	5,492	(175)	-	5,317
Fixed Assets	4,993	(2,341)	4,326	6,978
Training	32,433	35,521	(46,153)	21,801
Designated funds				
Moving on Relate	14,611	16,939	(31,550)	-
Independent Visitor	377	(6,320)	5,943	-
Independent Visitor Expenses	37	(210)	173	-
Independent Visitor Teesside	186	(2,805)	2,619	-
Getting Help	24,744	(16,140)	(8,271)	333
Mentoring	6,885	(647)	(6,238)	-
IAPT 2022	507	1,680	(1,791)	396
Funds in a non charitable subsidiary	10	-	-	10
Total unrestricted and designated funds	372,989	(69,557)	22,122	325,554
Restricted funds				
Abbey Project	352,478	(11,247)	-	341,231
National Lottery Community Fund – RC North East and Cumbria Region	12,890	34,656	(21,425)	26,121
Mental Health Support Team	11,016	6,268	(10,884)	6,400
ESF	212	(13,230)	13,018	-
Employment Support - Kickstart	25,058	(16,688)	(8,370)	-
Pre Employment and Employment	197	(6,577)	6,380	-
Victoria Ward	17,095	(8,166)	(2,652)	6,277
Ballinger Charitable Trust	1,075	19,599	-	20,674
CCG Neuro	8,138	(3,507)	(4,631)	-
Comic Relief	16,431	(6,251)	(3,911)	6,269
North Tees Mental Health Support Team	-	2,547	(2,547)	-
HBC PPT	-	(3,652)	12,900	9,248
Total restricted funds	444,590	(6,248)	(22,122)	416,220
TOTAL FUNDS	817,579	(75,805)	-	741,774

20. 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	72,606	(167,665)	(95,059)
Revaluation Reserve	-	(175)	(175)
Fixed Assets	-	(2,341)	(2,341)
Training	64,352	(28,831)	35,521
Designated funds			
Moving on Relate	69,453	(52,514)	16,939
Independent Visitor	20,095	(26,415)	(6,320)
Independent Visitor Expenses	26,222	(26,432)	(210)
Independent Visitor Teesside	24,585	(27,390)	(2,805)
Getting Help	110,565	(126,705)	(16,140)
Mentoring	14,984	(15,631)	(647)
IAPT 2022	42,731	(41,051)	1,680
Funds in a non charitable subsidiary	348,064	(348,064)	-
Total unrestricted and designated funds	793,657	(863,214)	(69,557)
Restricted funds			
Abbey Project	-	(11,247)	(11,247)
National Lottery Community Fund – RC North East and Cumbria Region	74,892	(40,236)	34,656
Tudor Trust	35,000	(35,000)	-
Mental Health Support Team	54,276	(48,008)	6,268
ESF	-	(13,230)	(13,230)
Employment Support - Kickstart	110,271	(126,959)	(16,688)
Pre Employment and Employment	-	(6,577)	(6,577)
Victoria Ward	15,000	(23,166)	(8,166)
Ballinger Charitable Trust	35,000	(15,401)	19,599
CCG Neuro	18,136	(21,643)	(3,507)
Comic Relief	61,750	(68,001)	(6,251)
North Tees Mental Health Support Team	48,998	(46,451)	2,547
HBC PPT	-	(3,652)	(3,652)
Total restricted funds	453,323	(459,571)	(6,248)
TOTAL FUNDS	1,246,980	(1,322,785)	(75,805)

20. MOVEMENT IN FUNDS - continued

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

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	282,714	(172,832)	292,017	401,899
Revaluation Reserve	5,492	(350)	-	5,142
Fixed Assets	4,993	(4,482)	4,326	4,837
Training	32,433	42,611	(75,044)	-
Designated funds				
Moving on Relate	14,611	16,939	(31,550)	-
Independent Visitor	377	(4,733)	4,356	-
Independent Visitor Expenses	37	77	136	250
Independent Visitor Teesside	186	2,667	(2,853)	-
Getting Help	24,744	(12,774)	(11,970)	-
Mentoring	6,885	(647)	(6,238)	-
IAPT 2022	507	1,282	(1,789)	-
Funds in a non charitable subsidiary	10	71,086	(71,086)	10
Mediation	-	13,055	(13,055)	-
Tudor Trust Unrestricted	-	44,000	-	44,000
North Tees Mental Health Support Team	-	11,684	(9,927)	1,757
IV Spot Purchase	-	1,190	(1,190)	-
DFE Mentoring and Befriending	-	4,169	(4,160)	9
Fathers' Strategy South Tyneside	-	19,650	(4,650)	15,000
ACES Darlington	-	15,929	(6,050)	9,879
Family Group Conferencing	-	7,217	(3,833)	3,384
Total unrestricted and designated funds	372,989	55,738	57,440	486,167
Restricted funds				
Abbey Project	352,478	(22,669)	-	329,809
National Lottery Community Fund – RC North East and Cumbria Region	12,890	45,351	(29,938)	28,303
Tudor Trust	-	2,508	-	2,508
Mental Health Support Team	11,016	29,723	(30,678)	10,061
ESF	212	(13,230)	13,018	-
Employment Support - Kickstart	25,058	(16,688)	(8,370)	-
Pre Employment and Employment	197	(6,577)	6,380	-
Victoria Ward	17,095	(9,891)	(7,204)	-
Ballinger Charitable Trust	1,075	23,356	-	24,431
CCG Neuro	8,138	(3,507)	(4,631)	-
Comic Relief	16,431	(9,512)	(6,917)	2
HBC PPT	-	(10,297)	12,900	2,603
National Lottery Community Fund - Know Your Neighbourhood	-	14,197	(2,000)	12,197
Total restricted funds	444,590	22,764	(57,440)	409,914
TOTAL FUNDS	817,579	78,502	-	896,081

20. 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	87,539	(260,371)	(172,832)
Revaluation Reserve	-	(350)	(350)
Fixed Assets	-	(4,482)	(4,482)
Training	149,233	(106,622)	42,611
Mediation	67,320	(54,265)	13,055
Designated funds			
Moving on Relate	69,453	(52,514)	16,939
Independent Visitor	43,222	(47,955)	(4,733)
Independent Visitor Expenses	55,143	(55,066)	77
Independent Visitor Teesside	51,412	(48,745)	2,667
Getting Help	190,232	(203,006)	(12,774)
Mentoring	14,984	(15,631)	(647)
IAPT 2022	42,731	(41,449)	1,282
Funds in a non charitable subsidiary	1,111,103	(1,040,017)	71,086
Tudor Trust Unrestricted	44,000	-	44,000
North Tees Mental Health Support Team	152,294	(140,610)	11,684
IV Spot Purchase	1,190	-	1,190
DFE Mentoring and Befriending	86,763	(82,594)	4,169
Fathers' Strategy South Tyneside	20,000	(350)	19,650
ACES Darlington	48,000	(32,071)	15,929
Family Group Conferencing	12,223	(5,006)	7,217
Total unrestricted and designated funds	2,246,842	(2,191,104)	55,738
Restricted funds			
Abbey Project	-	(22,669)	(22,669)
North East Community Fund – RC North East and Cumbria Region	127,346	(81,995)	45,351
Tudor Trust	85,000	(82,492)	2,508
Mental Health Support Team	139,221	(109,498)	29,723
ESF	-	(13,230)	(13,230)
Employment Support - Kickstart	110,271	(126,959)	(16,688)
Pre Employment and Employment	-	(6,577)	(6,577)
Victoria Ward	15,000	(24,891)	(9,891)
Ballinger Charitable Trust	55,000	(31,644)	23,356
CCG Neuro	18,136	(21,643)	(3,507)
Comic Relief	65,000	(74,512)	(9,512)
HBC PPT	-	(10,297)	(10,297)
National Lottery Community Fund - Know Your Neighbourhood	33,200	(19,003)	14,197
Total restricted funds	648,174	(625,410)	22,764
TOTAL FUNDS	2,895,016	(2,816,514)	78,502

20. MOVEMENT IN FUNDS - continued

DESIGNATED FUNDS

Dfe Mentoring and Befriending

A Local Authority contract to provide a Mentoring Service to Children and Young People. Money secured to deliver the project has been designated to spend for that purpose. A transfer was made to core with an amount designated for expenditure on this project in the next financial year.

Independent visitor and Independent visitor expenses and spot purchases

Local Authority contract to provide volunteer Independent Visitors to Children and Young People in Care. Any surplus can be transferred to core.

Getting help (was IAPT) and IAPT 2022 (Improving Access to Psychological Therapies)

Income to expand availability of psychological therapies for children and parents by way of initially funding 5 students and then subsequently funded via a grant from CCG to be able to continue offering the service. Money brought forward has been spent in the current year as planned.

Fostering

The Charity has invested in a trading subsidiary which runs a fostering agency. The Board have identified that given local need, and potential for future revenue generation, the Charity's objects and financial performance will best be enabled through investment in the development and delivery of a fostering service. This is therefore funded through unrestricted reserves, shown as a transfer in or a transfer out if there is a surplus in the year.

Fathers' Strategy South Tyneside

Funding through local authority designated to assist their father' strategy and improvement engagement.

ACES Darlington

Funding received from local authority to improve emotional wellbeing of children.

Family Group Conferencing

Funding received through local authority designated to deliver Family Group Conferences.

PURPOSES OF RESTRICTED FUNDS

Abbey Project

The Abbey Street Project represents funds raised to refurbish a building to be used by the Charity to provide facilities for the advancement of education and leisure time opportunities for children and young people. The main fund provider to the project was the community fund who kindly provided funding of £540,609 in circa 2001.

National Lottery Community Fund – RC North East and Cumbria Region

Funding received from the National Lottery Community Fund to deliver Being A Parent Course in the Hartlepool Community.

20. MOVEMENT IN FUNDS - continued

Tudor Trust

A grant from The Tudor Trust to contribute to the CEO salary. This grant was recurrent for 3 years.

Mental Health Support Team

Three members of staff have been seconded into this team to focus on supporting the parental relationship within this wider partnership.

Ballinger Charitable Trust

Income received towards the core costs of the Charity.

Comic Relief

This funding is the Relationship Matter to Schools project working to improve parental and school/parent relationships.

Victoria Ward

Community based project to help improve the lives of People living in the Victoria Ward of Hartlepool.

National Lottery Community Fund – Know Your Neighbourhood

Funding received through National Lottery Community Fund to support the Reaching Community project to assist parents in accessing 'Being A Parent' courses.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,261	4,209
Other trading activities		
Fundraising events	-	5,115
Investment income		
Deposit account interest	10,031	62
Charitable activities		
Grants	1,632,744	1,237,594
Total incoming resources	1,648,036	1,246,980
EXPENDITURE		
Charitable activities		
Wages	629,971	503,921
Social security	54,891	127,146
Pensions	14,466	11,681
Hire of plant and machinery	1,511	-
Telephone	3,756	3,481
Postage and stationery	262	2,141
Sundries	20,199	7,130
Project and marketing activity es	56,642	158,790
Training	10,993	21,034
Professional fees	16,626	68,719
Website costs	2,562	-
Travelling	41,049	18,917
Consultancy fees	17,587	-
Subscriptions	9,311	-
Premises expenses	-	3,041
Foster parent fees	423,148	197,834
	1,302,974	1,123,835

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
Support Costs		
Management		
Wages	72,575	68,907
Social security	6,151	-
Pensions	2,154	-
Hire of plant and machinery	1,815	686
Premises expenses	10,385	26,276
Insurance	16,500	11,307
Light and heat	19,585	15,813
Telephone	4,115	2,858
Postage and stationery	4,732	2,661
Sundries	102	31,712
Travelling	3,590	762
Professional fees	5,356	10,527
Consultancy fees	1,057	1,320
Subscriptions	9,930	-
Training	883	58
	158,930	172,887
Finance		
Bank charges	709	-
Amortisation of intangible fixed assets	570	570
Depreciation of tangible fixed assets	12,993	13,193
Bank interest	753	-
	15,025	13,763
Governance costs		
Auditors' remuneration	11,700	8,000
Auditors' remuneration for non audit work	5,100	4,300
	16,800	12,300
Total resources expended	1,493,729	1,322,785
Net income/(expenditure)	154,307	(75,805)

CHANGING FUTURES NORTH EAST

England & Wales - Charity number 1089347

Accounts

Registered number: 04009541
Charity number: 1089347

CHANGING FUTURES NORTH EAST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CHANGING FUTURES NORTH EAST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	G Walker (resigned 31 May 2023) D Blackith G Lamb A N Jackson AM Croymans (resigned 10 July 2022) D M Jeffery H Deacon (resigned 27 July 2022) D Robertson (appointed 25 January 2023) A Steel (appointed 25 January 2023)
Company registered number	04009541
Charity registered number	1089347
Registered office	3 Abbey Street Hartlepool TS24 0JR
Company secretary	A Jackson
Independent auditors	Waltons Business Advisers Limited Chartered Accountants Maritime House Harbour Walk The Marina Hartlepool TS24 0UX
Bankers	Co-operative Bank Plc Olympic House 6 Olympic Court Off Montford Street Salford M5 2QP

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

This year has witnessed several changes to the Board of Trustees and the development of a vision which will secure the work of Changing Futures North East into the future.

Board Changes

In July, Gillian Walker, the Chair of the Board, stepped down after over ten years of dedicated service. Gillian has overseen the growth of CFNE from a Hartlepool-based charity to a Charity making a significant difference to children and families across the North East. The charity has expanded its offer for families and children. Two years ago, just as the pandemic hit, the charity launched its fostering service, CFF; as Gillian leaves us, Changing Futures Fostering is providing places for a large number of children and is proving a huge success. I want to thank Gillian for all her hard work and commitment to CFNE; she will be a hard act to follow.

Strategy Day

The year started with a Strategy Day. The day aimed to identify key strategic challenges and opportunities, the day was also an opportunity to welcome new Trustees, bringing a wealth of experience to the Board, and I look forward to working with them in the future. The CEO posed some critical questions for the board to consider, the Board also looked at key strengths, areas to develop and future possibilities.

Currently, CFNE is involved in delivering relationship focused support through emotional well-being services, peer support, and community-based projects – as well as supporting the children's workforce to build on their good practice to work even more effectively with fathers and with parents in conflict. The organisation still delivers a mediation service, and has been piloting it's own model of couples support with a small group of teenage parents in Durham.

Much of the organisation work is dependent on bidding for and securing grants from a variety of sources. The uncertainty about the future grants on offer, the terms of these grants, and the success of bids hinder future planning and can lead to changes in personnel.

The Charity has invested through its wholly owned subsidiary in establishing a fostering agency that continues to grow; from six children at the beginning of the year to eighteen children in November 2023. It is marvellous to see this project thriving, and to hear about the good progress children are making in the care of an amazing group of foster parents.

Whilst CFNE continues its work in these areas and builds on the success of fostering, the Board and Leadership look to the future for CFNE, the aim to secure finances which will support all the work of CFNE whilst aligning with the vision of helping families and young people.

It was agreed that CFNE would investigate opening a residential care home for children. There is huge opportunity to build a complimentary fostering and residential offer, and to expand the numbers of local placements available to children and young people. There is also an aspiration to address some of the gaps in the care system (and support for young adults who have left care) as the projects grow to scale. Surplus will also be channelled into services that help families thrive with children still living at home.

Additionally, the board committed to develop a training and consultancy offer initially around reducing parental conflict. It's great to see that so many councils have bought in support, and we have a bid being considered in a new local authority area as we speak.

The success in bidding for Grants has been a mixed picture. It was disappointing news in June that we were unsuccessful with our DWP grant application, and that so many of the established relationships providers nationally hadn't been given the chance to further deliver. The company has faired well without the investment, but the challenging grant and contract funding environment again highlights the importance of the move to diversify (for instance into supporting young people in care and through training). In September/November, opportunities arose to bid with partners for a Suicide Prevention project and a mentoring project. We are awaiting the outcome of both applicants and are hopeful they will allow us to expand in two core delivery

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

programmes.

Residential

The Board agreed to recruit a Service Manager, aiming to release time for the CEO to investigate Residential, and to pursue broader strategic objectives. The Board are particularly mindful of the need to grow the organisations infrastructure as it grows in size and complexity.

A Strategy and Business proposal was presented to the Board by the CEO at the October meeting, which highlighted the current position of residential care nationally and locally—the financial risks based on occupancy at different levels and the key areas to be addressed. The Board agreed to the proposals in principle; the next step is to work with the accountants to build a financial model to present to lenders. The Board also discussed the finances of CFNE and the reserves, which are healthy but would reduce substantially if the charity does decide to pursue opening a residential offer.

As we move into 2024 we are in a position to move into residential care whilst continuing to grow fostering through the subsidiary company, and deliver well our emotional well-being services, couples conflict support and peer and community support and befriending programmes.

I want to thank all the Board members of CFNE, CFF, and all of the volunteers and staff members for their hard work and commitment throughout the year. I want to mention a particular highlight of the year for me: attending the Fostering party. Listening to the foster parents talking about the young people that are now part of their family (and the progress they were making) really did highlight the impact of our work in a very human way.

Chairman Gillian Lamb
Date: 7.12.23

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the group for the year 1 April 2022 to 31 March 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

- **Aims and objectives**

The objects of the Charity (as amended on 10th July 2019) are:
specifically restricted for the public benefit to the promotion of the upbringing and care of children and young people in need from all backgrounds, cultures, and faiths or none, in particular by:

5.1 Promoting their better care and safeguarding them.
5.2 Providing assistance to them and their families and carers
5.3 Promoting their health
5.4 Promoting their education and establishment in life.

The charity promotes the benefit of children and young people in particular through recognition of the interconnectedness of human systems and the role of the family and the community in creating the environmental conditions to enable children and young people to thrive.

Objectives and activities (continued)

- **Our vision, mission and key strategies**

The Charity is founded on the fundamental belief that relationships matter to people. They can catalyse joy. They can lead to profound misery. People with a variety of strong, healthy relationships are better able to thrive, and better deal with challenges presented by life. Through enhancing the relational resources available to children, family members, and community members and indeed those agencies and workers that make up the village around the family, the Charity seeks to bring about lasting social change.

Vision

- **We will help create a society where every child and young person has opportunity to be supported by the full range of healthy relationships they need to thrive.**
- This will help break intergenerational cycles of trauma, poverty and deprivation.

Mission

To help children, families and communities to flourish:

- Enabling families to have the relational resources and resilience they need to thrive
- Promoting and supporting parental and other key relationships
- Enabling development of relationships that heal and create or nurture resilience to the impacts developmental and other life trauma

Beliefs

- **Everyone has potential** - our role is to help people unlock this and achieve the things that matter to them
- **Parents love their children** – and this love needs to be acknowledged, worked with, and respected
- **Parental relationships matter** – we must be curious about them and support them where needed, particularly given the critical impact inter-parental relationships have on children
- **Wider relationships matter** - people stand the best chance of thriving with a variety of positive family, peer, and other relationships
- **Workplace relationships matter** – healthy and supportive workplace relationships are good for people at work, and they help them help people in the community better too
- **Systems affect children, change and performance** – we need to understand and work across the range of relationships, agencies and actors that surround families to best enable positive change

Values

- **Ambitious** – We're ambitious for children and families and set ambitious goals that help us to help them.
- **Integrity & Pride** - We provide and celebrate the type of help we believe in.
- **Innovation and Competence** - We seek to enter and maintain a focus in spaces where we know we can do things well.
- **Collaborative** - We recognise we are at our best when we collaborate inside and outside the organisation
- **Empowering** – We know that giving our staff, volunteers and families the tools, support and confidence to enable changes, gives best results.
- **Safe** – People deserve to be safe in their relationships, in the community and the workplace and we will try to make sure they are.

Objectives and activities (continued)

- **Our history and current focus**

The modern 'Changing Futures' is a relationship focused agency, with a special focus on working with people who've experienced trauma, that works across North East England. We are more interested in what's happened to people than what's wrong with people. We try to avoid labelling and stigmatising language (and encourage some parts of wider systems to reframe how they see and think about the people they work with).

The relational focus that underpins our work dates back to the very founding of the organisation, when it's sole focus was as an estate based youth provider on the Headland of Hartlepool. Around 1997, a group of Headland residents and development workers banded together to consult young people as to their needs, and how they might better be met through youth provision in the area. The culmination of this work was the development of the Abbey Street Youth Project, led by a young person's steering group and supported by the wider community. At this point, the organisation formalised as Headland Future Limited. The emphasis of Headland Future's youth work was social and informal education. The nurturing of relationships, bringing together or people of shared passions in "communities of interest" and an emphasis on enabling young people to enjoy and achieve were more of a focus than issue based work.

The Charity still pursues its original mission to improve the lives of children and young people. Over time, the work of the organisation has shifted, based on learning that for many young people, direct work with them can only have so much impact. Oftentimes, but not always, change can be best enabled when the family context children live in is warm, nurturing, and free of poorly managed conflict. Healthy parental relationships have a particular impact on children's welfare and wellbeing.

Parenting children who've experienced trauma is particularly challenging, be it for birth parents, foster carers or staff taking care of children in residential settings. We have a particular emphasis on enabling parents, carers and workers to understand the impact of trauma and to parent or work in a trauma informed way. Ensuring that parents, carers and workers are well supported, and have their core needs attended to, is critical to enabling them to meet children's needs well.

We are acutely conscious that too many children are living often may miles away from their loved ones because of shortages in local foster homes and residential placements. We are also saddened that too many young people leave care with few or no loving or trusting relationships with adults. A substantial focus for our organisation is to help address these issues through direct provision of placements (for instance through Changing Futures Fostering, our subsidiary company) and through long term support.

- **The people we work with**

The Charity has the privilege to work with children, young people, families and organisations in the North East of England, particularly in the Tees Valley.

The parents and organisations we work with are passionate about meeting the needs of children, and have a range of superb assets at their disposal. The children we work with care about their parents, their siblings and their peers, and want to enjoy life and succeed. The individuals we work with care about the people in their lives and want to be happy.

It is an unfortunate truth that many of those that ask for our help have been through forms of hardship (for instance, poverty, the trauma of losing a loved one, bullying, conflict laden and sometimes violent relationships, abuse, neglect) and that difficulties in their lives have left them with challenges that they are struggling to overcome successfully. However, they have shown much resilience, determination, and loyalty to others in their lives; our job, when asked, is to help people to draw on these assets and build on their strengths, identifying their own goals and then catalysing their own change.

We target different help to different groups, for instance separated families, parents in relationships, children in care, other young people, families.

Objectives and activities (continued)

The majority of families who accessed separation support had low incomes, and most former couples were in long term conflict. Evidence shows poorly managed and enduring couple conflict is highly detrimental to children's outcomes (especially when combined with material deprivation). Conflict where there are financial difficulties, or children and families live in poverty, is far more likely to result in poorer outcomes for children. Following the DWP investing in supporting Councils to better support parental conflict, and our own local work, we have refocused our help towards those families with more complex situations where specialist help is likely to be needed. We have also focused on heling train, coach and support the wider children's workforce to better support parental relationships.

Much of the Charity's work is with people living in deprived communities (in Hartlepool the majority of the people we work with live in areas where children's outcomes are worse than in other areas, and there is material poverty). Some of the Charity's work is specifically targeted towards those that have suffered multiple disadvantages. Some work is focused on enabling people to develop the strengths and resources to avoid hardship through preventative programmes and collaboration with other agencies.

- **The people who enable change for children and families**

Firstly, a huge thank you to the parents and children who have let us into their lives. We support you to draw on your innate talents and skills, and to make your own change. We are privileged to be invited in to help.

A huge thank you as well to the 35 staff and 81 volunteers who provide this help to children and families, in addition to 7 people who volunteered as Trustees. The Charity would like in particular to thank these committed individuals who give up so much of their free time to support people in the community. Without this help we would be unable to provide anywhere near the current level and quality of service.

Achievements and performance

- **Main achievements of the charity**

Direct help

- Support parents and schools to work as collaboratively as is possible
- Deliver and broaden our community and parent peer support services to help people build connections that enable changes for their families and communities
- Retain couple relationship work as a core part of the organisation's portfolio
- Maintain and where possible grow our mediation offer
- Ensure delivery of a therapeutic fostering offer that has peer support at its core
- Maintain an emotional wellbeing offer that increases access for children and families to psychological services
- Sustainably expand our Independent Visitors offer

The Charity helped 2251 people through its service provision compared to 1785 people in 2021/22 and 1061 in 2020/21. Much of this increase was due to DWP, Parent Connectors work and IAPT. We would expect this to reduce in 23/24 as we move to working more substantively with practitioners and agencies to enhance their efforts to directly deliver certain services, and focus on working with smaller numbers of people who need more intensive support.

Emotional Wellbeing	Reducing Parental Conflict	Youth & Community
619	893	148

Achievements and performance (continued)

The table below shows numbers of people who benefited from our help. Direct beneficiaries are people we worked with ourselves; indirect beneficiaries are usually children (where we have worked with their parents to help resolve conflict, improve parenting capacity or resolve a legal dispute).

	Practitioners	Direct beneficiaries	Indirect beneficiaries (estimated)	Total
22/23	197	1463	591	2251
21/22	25	1158	627	1785
20/21	20	674	367	1061
19/20	30	366	265	611
18/19	32	384	234	650

- Support parents and schools to work as collaboratively as is possible
- Deliver and broaden our community and parent peer support services to help people build connections that enable changes for their families and communities

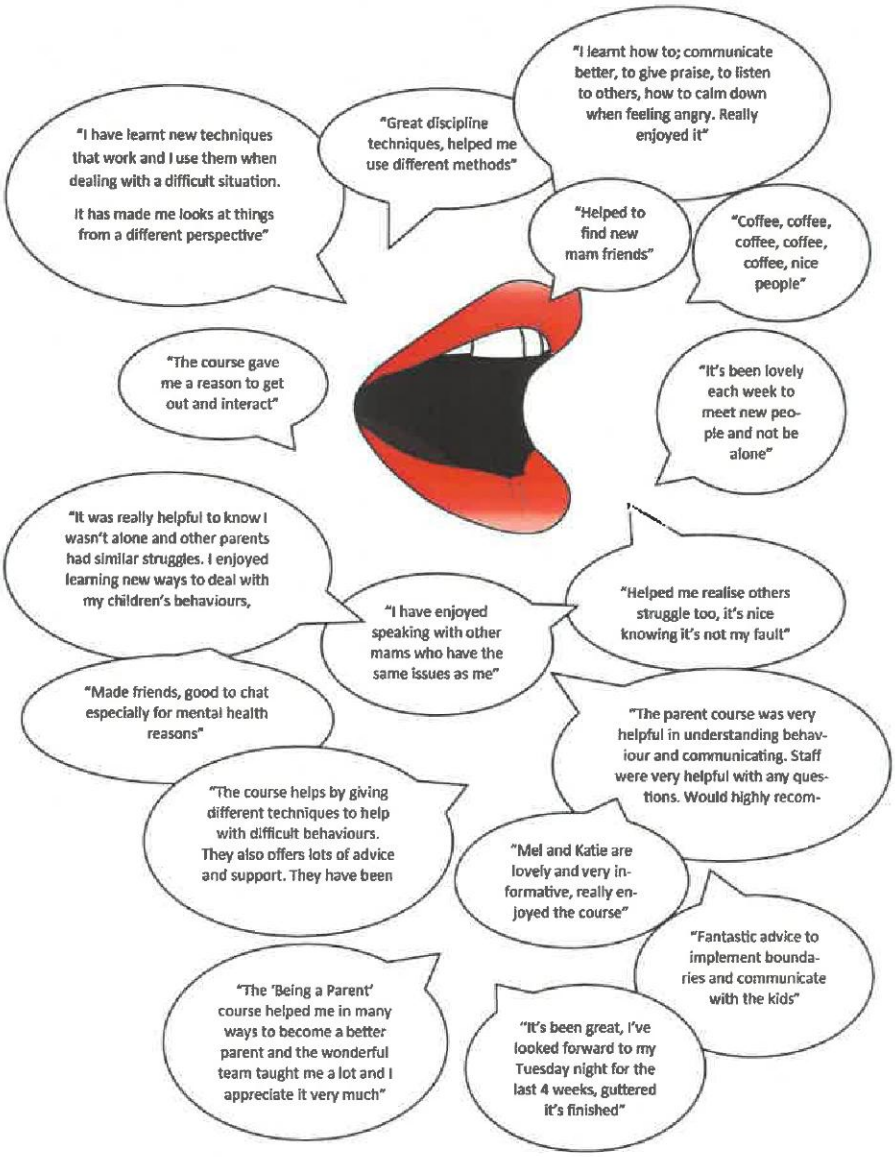
Parents Pulling Together is a three year parent led universal peer support and parenting service in Hartlepool, delivered in partnership with Hartlepool Borough Council. It is funded through the National Lottery Communities Fund. It has been bolstered with extra support from the lottery "Know Your Neighbourhoods" grant scheme, enabling a sharper focus on engaging parents who would not otherwise have accessed help.

At the heart of Parents Pulling Together is the philosophy that parents are best places to help other parents. Consequently, all of the groups are delivered either through:

- Parent Connectors, paid for by the National Lottery Communities Fund, who accessed the "being a parent" groupwork programme themselves, learned loads from it, and delivered it substantially as volunteers. They then took up paid positions so they could dedicate even more time to delivering the programme. We employ three people in this role.
- Parent Group Leaders – parents who volunteer their time to deliver programmes. Over the past year we've trained new Parent Group Leaders.
  Parent Connector staff and a number of parent volunteers have run 16 "being a parent" groupwork programmes across 9 schools in Hartlepool, with 2 groups running for parents of all schools (one focused on dads, and one for parents with a child with special educational needs).

We constantly talk to parents about the issues and challenges they're facing and try to respond accordingly. Many parents told us they would appreciate support over summer, so we provided breakfast and play sessions. Parents feedback on the work is shown overleaf; they have tended to really benefit from building connections, learning, and hearing from other parent's experiences.
127 parents started groups and 99 completed. Of those completing outcomes measures:

- 94% said developed skills for positive parenting
- 54% showed medium of high improvements in parenting / more effective parenting
- 50% reported improved wellbeing
- 64% said they were reaching parenting goals
- 61% has less concerns about their child


"I learnt how to; communicate better, to give praise, to listen to others, how to calm down when feeling angry. Really enjoyed it"
"Great discipline techniques, helped me use different methods"
"I have learnt new techniques that work and I use them when dealing with a difficult situation.
It has made me looks at things from a different perspective"
"Helped to find new mam friends"
"Coffee, coffee, coffee, coffee, nice people"
"The course gave me a reason to get out and interact"
"It's been lovely each week to meet new people and not be alone"
"It was really helpful to know I wasn't alone and other parents had similar struggles. I enjoyed learning new ways to deal with my children's behaviours,
"I have enjoyed speaking with other mams who have the same issues as me"
"Helped me realise others struggle too, it's nice knowing it's not my fault"
"Made friends, good to chat especially for mental health reasons"
"The parent course was very helpful in understanding behaviour and communicating. Staff were very helpful with any questions. Would highly recom-
"The course helps by giving different techniques to help with difficult behaviours. They also offers lots of advice and support. They have been
"Mel and Katie are lovely and very informative, really enjoyed the course"
"Fantastic advice to implement boundaries and communicate with the kids"
"The 'Being a Parent' course helped me in many ways to become a better parent and the wonderful team taught me a lot and I appreciate it very much"
"It's been great, I've looked forward to my Tuesday night for the last 4 weeks, guttered it's finished"

Achievements and performance (continued)

- **Maintain and where possible grow our mediation offer**

Tees Valley Mediation is the trading name for our Mediation service and traditionally provided mediation in Tees Valley and East Durham. Mediation enables couples to resolve a legal dispute usually around children but also in connection with their finance arrangements following a separation or divorce.

We provide both private and legally aided mediation. Supply of legal aid services continues to be challenging, as there has been no uplift in fees for many years. Inflation always erodes profitability, but recent inflationary pressures have created additional strain.

We have submitted a first stage tender to continue to provide the service.
The current position is that around 50% of mediation delivery must be face to face, unless we agree otherwise with our contract officer. We always offer people the choice of a face to face appointment.

In 2022/23:
- Referrals into mediation were 438 this year, which is comparable with 21/22. From these referrals we supported 320 people with an initial piece of work (again comparable with the year before).
- 100 people then went on to engage in mediation which is a slight decrease on the year before
- 64 people reached a Mediation Agreement which is a decrease from last years 80%

- **Retain couple relationship work as a core part of the organisations portfolio**

Evaluation of Reducing Parental Conflict National Program
The Reducing Parental Conflict programme ended in July 2022 and was funded by the Department for Work and Pensions. The North East was one of a number of pilot areas and the national programme has been evaluated. Changing Futures delivered in Tees Valley, supporting 231 parents. The North East was a partnership project led by RELATE and including Changing Futures and Action for Children who in total supported 596

Changing Futures expertise in delivery has helped us have the confidence and reputation to build our own model of support for teen parents and to train and support other agencies in embedding reducing parental conflict support. Before detailing our recent activity, it is worth highlighting excerpts from the national programme evaluation.
The summary findings were:

Intervention delivery
- Parents who completed an intervention were generally positive, and felt it had a positive impact on them. This was particularly the case for intact couples. However, there were some concerns raised about the sessions.
- From the experience of parents, it appeared that there were 4 key elements to delivering the interventions well: tailoring of content so its relevant to individual situations, good practitioner approach and demeanour, use of practical tools and activities and provision of workbooks to reflect on the sessions.
- The main reasons given for parents not completing the intervention was that their (ex) partner did not want to take part or they felt unable to go without them.
- For those who did not complete the intervention, most felt the session(s) they attended had a limited or no impact on their relationship. Though, most had seen some positive changes in their children and their children's behaviour.

On average, participating parents who are together (intact), experienced statistically significant improvements in their relationship with the other parent after they completed one of the tested interventions. The table below show the effect sizes for intact parents immediately after completing an intervention. Scores are given as a "Cohens d score"; the effect of the intervention could be considered small to large:

Achievements and performance (continued)

- 0.8 = large
- 0.5 = medium
- 0.2 = small

Table 1: Effect sizes for each relationship measure (intact parents)

Relationship Measure	Cohen's d. Score
Relationship warmth	0.7
Hostility	0.69
Relationship satisfaction	0.73

On average, separated parents who participated experienced statistically significant improvements in their relationship with the other parent after they completed one of the tested interventions. The table below shows the effect sizes for separated parents immediately after completing an intervention:

Table 2: Effect sizes for each relationship measure (separated parents)

Relationship Measure	Cohen's d. Score
Conflict when communicating	0.71
Frequency of conflict	0.74
Breadth of conflict	0.63
Co-parenting support	0.22
Satisfaction with custody arrangements	0.23

Furthermore, participating parents with a child aged 2 to 17 years old at the point of referral reported on average that these children showed statistically significant improvements in their mental health and wellbeing after their parent(s) completed an intervention. The table below show the effect sizes for children aged 5 to 17 years old, 6 months after completing an intervention:

Table 3: Effect sizes for each Strengths and Difficulties Questionnaire measure (5 to 17-year-olds)

Child Wellbeing Measure	Cohen's d. Score
Emotional problems	0.5
Conduct problems	0.37
Hyperactivity	0.22
Peer Problems	0.23
Prosocial behaviour	0.17
Total difficulties	**0.48**

Where it was possible to estimate (i.e., where post intervention sample sizes were sufficient), there was no evidence that interparental relationships or child mental health regressed towards pre-intervention levels in the 12 months after completing an intervention.

Families that completed high intensity interventions, which are more expensive, showed slightly greater improvements in both interparental relationships and child wellbeing / mental health than families that completed moderate intensity interventions.

On average, parents who completed Mentalization Based Therapy (MBT) experienced greater improvements in interparental relationships and the mental health of their children, compared to parents who completed other interventions. However, at the time of the test, MBT was considered to be the most expensive intervention, and it was not possible to adjust the effect sizes in this report for the cost of interventions.

Achievements and performance (continued)

Where both parents participated, greater improvements were demonstrated in interparental relationships and child mental health, though parents participating alone (without the cooperation of the other parent) still showed statistically significant improvements in interparental relationships and child mental health.

Working families experienced slightly better outcomes than families where at least one parent was workless; both workless and working families showed significant improvements (of a similar magnitude) in interparental relationships, but working families saw greater improvements in child mental health.

Sample sizes were not sufficient to facilitate comparative analyses between specific ethnic groups. However, when analysing minority ethnic and non-minority ethnic families, both showed significant improvements in interparental relationships and child mental health after completing an intervention.

Retaining a couples work offer

We have built on our historic experience of delivering "Moving On", a couple's work intervention, and adapted this to work with teenage parents in Durham. Again this small pilot will be evaluated in time for the next annual report.

Unfortunately, efforts to secure substantial investment for new couples work programmes were unsuccessful, with a large grant application declined. It is still the organisations intent to explore how an earlier help session for parents around relationships can be embedded within the midwifery pathway and we remain alert to funding opportunities that could help us test our worked up ideas.

- **Ensure delivery of a therapeutic fostering offer**

Funding has been given to Changing Futures Fostering Limited to deliver a fostering service to benefit children in North East England. The agency achieved a 'good' rating from Ofsted at its first inspection.

There are a small number of children placed with a growing number of foster families. The agency launched during the pandemic and was challenged by the impact of Covid on foster parent applications but has subsequently thrived and has a good number of children in placement, many of whom are long term matched. The therapeutic model has been well received by foster parents. Feedback from foster parents about the quality of training and support they receive is excellent and children and young people are making good, solid, evidenced progress.

The agency has passed break even point and is now generating a surplus.

- **Maintain and expand an emotional wellbeing offer that increases access for children and families to psychological services**
  - **Living Well Project**

We secured separate finance from the Clinical Commissioning Group to pilot "Adverse Childhood Experiences" (ACES) groups to families whose children haven't been picked up for a neurodevelopmental assessment because they feel that family members would better benefit from help to understand and process some of the trauma, they have experiences in life.

Rockpool (who are the owners of the programme we deliver) succinctly explain what ACES are any why helping people who have experienced ACES matters:

"Adverse Childhood Experiences (ACEs) are stressful or traumatic experiences, including abuse, neglect and a range of household dysfunctions such as witnessing domestic violence or growing up with substance abuse, mental illness, parental discord or incarceration. Living with ACEs results in individuals developing coping and lifestyle strategies that are based on poor parental attachment and the effects of trauma.

Achievements and performance (continued)

In 2021/22 we supported 44 people across the year and in 2022/23 we supported 23 people . An evaluation will be published in the next annual report.

o **Improving Access to Psychological Therapies (IAPT) for Children, Young People and Families**

We have been pleased to offer children and families emotional wellbeing support through a range of interventions including low intensity cognitive behavioural therapy (CBT), high intensity CBT, systemic family work and parenting support. We do this through partnerships in both North and South Teesside.
Our staff have offered low and high intensity CBT, youth work interventions, parenting, relationship support and children's counselling services.

We worked with 402 people across 22/23 with outcomes including improved mood, reduced anxiety and improved communication between family members.

o **Mental Health Support Teams**

Mental Health Support Teams seek to improve young people's emotional wellbeing through:

- Delivering evidence based interventions (largely low intensity CBT)
- Supporting a senior mental health lead in each education setting to introduce or develop their whole school/college approach to supporting young people's emotional wellbeing
- Giving timely advice to school and college staff, and liaising with external specialist services, to help children and young people to get the right support and stay in and do well in education.

The Link has partnered with five other organisations in South Tees (Middlesbrough, Redcar) including Changing Futures to deliver Mental Health Support Teams there. Across this year we have had 1 worker seconded into the team to offer Parenting & Relationship support, as well as 2 Education Mental Health Workers. We worked with 135 people across 22/23.

Alliance has partnered with Changing Futures in North Tees (Hartlepool, Stockton) to expand Mental Health Support Teams there. We seconded 4 staff into this service. We worked with 118 people across 22/23.

- **Sustainably expand our Independent Visitors offer**

Independent Visitors guide, advise, listen to and befriend young people in care, sharing their experiences as well as trying new activities and spending quality time together. The Charity now offers Independent Visitors to young people in Hartlepool, Stockton, Middlesbrough, Darlington and Redcar.

There has been growth in the number of young people supported.

	At 31st March 2020	At 31st March 2021	At 31st March 2022	At 31st March 2023
Children matched	18	35	38	59
Children on a waiting list	10	16	21	30

We operate under an evidence-based theory of change that shows that healthy independent visitor relationships with looked after children can mitigate harm, improve stability and help children achieve positive outcomes. Therefore, we measure success for this service based on the quality of the relationship. Once again, over 90% of children who accessed the service reported that they gained a trusted friend/adult and all, but a few children rated the quality of the relationship as 9/10 or 10/10 (10/10 being excellent).

The Independent Review of Children's Social Care highlights that many children in care leave home with no or few loving relationships, and one of the "obsessions" is that "No young person should leave care without at least

Achievements and performance (continued)

two loving relationships".

We think there is huge scope of development of Independent Visitors to include mentoring, particularly targeted at young people with few stable relationships in residential care and extending support to age 25. We have sought funding to pilot a mentoring approach in Teesside and are beginning work with care experienced young people and young adults to see what they would like from such a service.

Enabling wider systems change

- **Maintain and expand reducing parental conflict consultancy and training**

Changing Futures has worked with 4 local authorities to deliver a combination of training, consultancy support, direct delivery and coaching and mentoring of staff. In total, 197 practitioners have been supported.
In some areas we have co-delivered (with local staff members) groupwork programmes to separated parents as well assisting Local Authorities to implement specialist relationship interventions.
An interim evaluation will be published in the next annual report.

- **Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies**

We held a "where's dad" conference at Northumbria University, attended by 60 practitioners from across the children's workforce including health, social care and education. The event brought research and voices of Local Dads to help colleagues think about the extent that they include and engage with Dads in their own services.

Guest Speakers a group of local Dads who had previously engaged with Changing Futures North East's Reducing Parental Conflict offer, Professor of Midwifery at Northumbria University, Senior Local Development Advisor from Foundations (previously the What works for early intervention and children's social care) and Professor in Practice - After Disasters Network, Durham University.

Workshops looked considered co-design and development with Dads, systems change for health, social care and hearing from local Dads' experiences of barriers to services as they unveiled their own short video describing their experiences about what works and what doesn't when it comes inclusive father focused practice.

Feedback from the event was extremely positive and with many expressing an interest in future events, networks and focussed sessions relating to practice with Dads and male carers.
We continue to prioritise partnership working to enable joined up delivery, generate new insights and mobilise to change systems that do not serve the community well enough. Examples of our partnership work include:

- Our Deputy CEO's membership of the Children's Strategic Partnership in Hartlepool, where he acts as Vice Chair
- Our CEO's membership of the Youth Justice Partnership Board in Hartlepool
- Working with the Link, the Junction Middlesbrough & Stockton MIND, a Time for You, ABC Counselling and Alliance on emotional wellbeing delivery
- Work with a range of VCS agencies to deliver separate "Know Your Neighbourhood" grants in a joined up way
- Victoria Ward partnership membership, leading to us now managing two community development workers active in the ward
- Support for the Hartlepool Opportunities Partnership, a fledgling voluntary development agency for Hartlepool
- Support of another VCS agency to move into fostering, further bolstering the not for profit presence in this private sector dominated market
- Sitting on a cross sector steering group that ensures social prescribing is available for young people in Hartlepool, and to help evidence effectiveness and expand the offer

Achievements and performance (continued)

We have spoken at events on Reducing Parental Conflict to share our learning:
- Launch of the North Tyneside Reducing Parental and Supporting Families toolkit.
  - Engaging Dads and Male carers in Relationship Interventions
- Relationship Matters – North East Regional Conference
  - Learning from specialist interventions

Business objectives
- **Develop a strategy for the next 5 to 10 years including:**
  - **Explore the viability of different projects support care experienced young people and families where children are on the verge of going into care, or have went into care. Create plans and enact them.**
  - **Explore the viability of projects to enhance our couples conflict/parental relationships offer and to scale effective work. Create plans and enact them.**

The Board have consulted with a variety of stakeholders including staff and beneficiaries and formulated some broad strategic areas to work towards and flesh out detail around. The main planks of the strategy are:
- Explore and subject to approval work to create a residential care offer for young people
- Scale up fundraising, particularly selling training and consultancy
- Develop our own relationship support model based on Moving On
- Develop a digital offer

- **Restructure the organisation as necessary to give it the base it needs to deliver well and successfully undertake development activities**

A Service Manager was appointed which has freed up other managers time to focus on pursuit of strategic goals.

Work is underway to refine the Quality Management System to better meet current and future business needs. There is likely to be a need to increase back office capacity as the business grows.

- **Increase expertise in business development and service/social care project management on the Board**

The Board have made new appointments including people with experience of early help service management and strategic development. Someone is posed to join the board who has experience of social services and fostering team management.

- **Evaluate the organisations effectiveness in enabling people to make changes in their own lives**

The organisation has improved data collection and analysis, and this is reflected in the improvements in reporting on individual project areas, as summarised in this report.

Financial review

- **Going concern**

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

- **Reserves policy**

The Board determined in its 2015-2021 strategy that free reserves of £225,000 should be targeted, and that free reserves should grow on average by 4% of turnover per annum over the lifetime of the strategy. This target was achieved.

At 31/03/22 some £315,157 was held in free reserves and by 31/03/23 this had reduced to £312,530.

The Trustees continued to support Changing Futures Fostering by way of grant payments until it reached break even, and now continues grant support to accommodate cashflow.

The Board have continued to invest in renovations at Abbey Street. Additionally, in 22/23 they decided to increase salaries to minimise the impact of inflation, and pay a floor level of £10.90 an hour. Agenda for Change increases benefitted health staff, however the contract for health services had no increase in value. Many contracts did not increase at all or by much. Consequently, any shortfall has been met through reserves.

Whilst the Trustees aspire to achieve a growth in reserves equal to at least 4% of turnover they are mindful of the need to pay fairly, invest in the main premises and to invest in new ventures to support looked after children. Consequently they see the 4%+ target as a longer term aim that should be realised consistently by financial year 25/26 to 26/27.

	Annual Change	Annual Change	Growth as % of income	Average to date
14/15 to 15/16	£60,248	£731,349	8.3%	8.3%
15/16 to 16/17	(£3,014)	£649,706	(0.5%)	3.9%
16/17 to 17/18	(£14,314)	£577,982	(2.5%)	1.8%
17/18 to 18/19	£34,231	£535,141	6.4%	2.8%
18/19 to 19/20	£89,250	£757,494	11.8%	4.3%
19/20 to 20/21	£17,827	£840,863	2.1%	4.3%
21/22 to 22/23	(£34,747)	£903,559	(3.7%)	(3.7%)
	Annual Change	Income in Year	Growth as % of income	% change
22/23-23/24	(£2,627)	£893,570	(0.3%)	2.29%

Targeted investment has been made in activities of importance to the development of the Charity in this current financial year.

- **Reserves policy rationale**

The Trustees consider that the performance of the Charity over the period is satisfactory. However, in their annual risk review the Trustees commented again on current and future economic conditions and political considerations creating or adding to uncertainly in the funding environment:

- Inflation and its impact on reducing the effective value of reserves, and pressures on budgets
- Reliance on sales generally to draw in revenue
- Potential longer term impacts arising from the children's social care review, most notably if Regional Care Cooperatives come into being and have sufficient resource to change market conditions
- The prospect of a general election and uncertainly as to either parties policies in areas which could impact communities and services
- Pressure on local government and central government finances, which seems unlikely to radically improve regardless of the outcome of a general election
- High competition for contracts and grant

The Board have considered how best the organisations strategic aims and objectives can be achieved in the

context of the current and predicted environment and the organisations strengths and weaknesses. Their view is that sufficient reserves should be held to:

- Safeguard a limited number of services to vulnerable beneficiaries in the short term, until either replacement funding can be secured, other services can be brought in to offer support, or needs can be met by the Charity
- Providing working capital to ensure restricted funding remains restricted, and ensure that adequate funds are held to account for late debtors
- To cover liabilities in the unlikely event that the Charity is wound up
- To enable investment in development of new services, subject to a strong business case and likelihood of sustainable income and good outcomes for children being generated by such services

Reserves should be managed in a way that, where it is necessary to hold them, they generate the best possible return for the Charity (including both financial and social return).

In respect of investment in development of new services, the Board are considering investment in residential care because:

- The Board believe that this provision would meet an under-met need in an area with increasing demand
- It builds from the organisations core competencies in supporting children and young people through a therapeutic parenting offer, and of addressing neglect and trauma
- It helps meet the organisations charitable objects
- It links to one of the priority areas of spending for Local Authorities – there is and will remain a statutory obligation to safeguard vulnerable children

Investment would be likely to be paired with loan finance.

- **Plans for future periods**

Delivery and system change objectives

Our key objectives for the next year include:

- Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies
- Deliver and broaden our community and parent peer support services to help people build connections that enable changes for their families and communities
- Retain specialist couple relationship work as a core part of the organisations portfolio
- Ensure delivery of a therapeutic fostering offer that has peer support at its core
- Maintain and where possible grow our mediation offer and reducing parental conflict consultancy and training
- Sustainably expand our Independent Visitors offer, and to pilot a mentoring offer
- Maintain an emotional wellbeing offer that increases access for children and families to psychological services

Business objectives

- Refine and finalise a strategic plan for the next 5 to 10 years that covers core priorities of family systems, trauma and neglect, care experienced children and parental relationships.
- Strengthen participation work across major strands of work
- Continue to build and refine quality systems
- Increase expertise in management of services for care experienced young people and adults on the Board, and add further financial experience

- **Material investments policy**

Under the Memorandum and Articles of Association the Charity has the power to make any investments which the Trustees see fit.

The charity currently only invests its funds in deposit accounts. The charities investments are under review given rises in interest rates.

- **Principal risks and uncertainties**

The Trustees actively review the major risks which the Charity faces as follows:
- A thorough annual audit of all risks
- Identification of risks that require monthly, quarterly and annual reports to be made to the Board
- Establishment of control measures to reduce risks, continued monitoring of risks through contract management groups and policy sub committees

The key risks the Charity is exposed to are:
- Pressures on government funding in the fields the Charity currently operates in and linked contracts, with risks to the proper functioning of Children's Services departments and financial viability of some Local Authorities. Given challenges facing the economy we do not envisage this changing for a considerable period of time.
- Higher competition for trust and foundation funding as a result, as well as government contracts
- Extremely high inflation which is increasing our utility bills threefold and creating a desire and pressure to increase wages, but without suitable inflationary increases from funding bodies
- An extremely tough recruitment market, exacerbated by the ability of some companies to pay more for low skilled work than some of our higher skilled posts
- A continued shift in spending across current and prospective funders from earlier help services to those addressing specific marginalised or complex needs groups, or those that governmental agencies have a statutory obligation to help
- High dependence on 'sales' to generate revenue to enable the Charity to fulfil its objects, including;
  - Spot purchase and client self-funding for Mediation and Independent Visitors services
  - Requirement to recruit a high volume of volunteers to underpin delivery of Independent Visitors service
- Possible realignment of the 'market' for fostering following publication of the Independent review of Children's Social Care which could serve to drive down prices paid for placements over the medium term which may be challenging unless the agency can build scale and create linked efficiencies
- Possible realignment of the markets for other programmes supporting care experienced children and young people
- The challenges created for families by inflation, the pandemic, the pressures in the family court system, and our ability to meet ever increasing need.

Measures have been put in place to control these risks, which are reviewed monthly to quarterly by the Board. This includes:
- Prioritising development of existing and new services that there is a statutory obligation to supply – with us focusing in particular on Fostering and complimentary services like Independent Visitors, as well as exploring other options to work with children in care and their family members
- Negotiation with funders around inflationary increases
- Development of a benefits package and sales approach that makes clear the benefits of working for a small charity such as ours
- Continued investment in a Digital Marketing post to drive sales, and expansion of our online presence
- Month to month review of critical sales areas and fostering performance

- **Quality Assurance & Complaints**

Changing Futures North East is committed to standardising processes to ensure quality in multiple areas of business operations. Consequently the Charity pursues securing and maintaining relevant quality marks.

1 formal complaint was received in 2022/23, as posed to 0 in the previous financial year. This complaint covered 10 points; 2 were upheld, 2 were taken as learning points, and 8 were not upheld.

The Charity is reviewing its complaints procedure and is likely to report more substantively on informal complaints in future years, including service areas of complaints.

Structure, governance and management

- **Constitution**

Changing Futures North East is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

- **Methods of appointment or election of Trustees**

The management of the group and the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

- **Organisational structure and decision-making policies**

A board of Trustees of up to 12 members, who meet at least quarterly (more usually monthly), administer the Charity. New Trustees receive a full induction from the chair and the CEO. There are subcommittees covering safeguarding, finance, health and safety and human resources. The board specifically reviews its performance and composition annually through a dedicated meeting, which is informed in part by the results from Trustee appraisals.

Contract management groups meet for some contracts, generally operating between monthly and every six months (depending on size and scope of contracts). Day to day decision making is delegated to the CEO, Graham Alton, and in his absence the Deputy CEO, Martin Todd. Responsibility for particular work areas is delegated by the CEO to project or work area coordinators or managers.

- **Pay policy for key management personnel**

The pay of senior staff is reviewed annually by a pay and conditions sub group comprised of at least two Directors including the Chair.

Positions are mainly benchmarked against comparably sized charities operating in North East England, usually focusing on those operating within the child health and social care industry. Salaries paid for positions with similar duties and requisite skills in the public sector are taken into account. Guides on salaries from relevant bodies are also taken into account. Proposals of the committee are considered by the full Board who make the final decision

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

The auditors, Waltons Business Advisers Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

G Lamb Gillian Lamb

Date: 7-12-23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANGING FUTURES NORTH EAST

UNQUALIFIED OPINION

We have audited the financial statements of Changing Futures North East (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANGING FUTURES NORTH EAST (CONTINUED)

OTHER INFORMATION

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANGING FUTURES NORTH EAST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material mistatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or international misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

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 auditors' report.

OTHER MATTERS

The financial statements for the year ended 31 March 2022 were unaudited, therefore the opening balances are unaudited and we do not give an opinion on these comparative results.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANGING FUTURES NORTH EAST (CONTINUED)

USE OF OUR REPORT

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Waltons Business Advisers Limited

Waltons Business Advisers Limited
Chartered Accountants
Maritime House
Harbour Walk
The Marina
Hartlepool
TS24 0UX

Date: 10 December 2023

Waltons Business Advisers Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
INCOME FROM:					
Donations and legacies	3	**4,209**	**-**	**4,209**	*118*
Charitable activities	4	**784,271**	**453,323**	**1,237,594**	*995,937*
Other trading activities	5	**5,115**	**-**	**5,115**	*3,352*
Investments	6	**62**	**-**	**62**	*983*
TOTAL INCOME		**793,657**	**453,323**	**1,246,980**	*1,000,390*
EXPENDITURE ON:					
Charitable activities	7	**863,214**	**459,571**	**1,322,785**	*1,157,179*
TOTAL EXPENDITURE		**863,214**	**459,571**	**1,322,785**	*1,157,179*
NET EXPENDITURE		**(69,557)**	**(6,248)**	**(75,805)**	*(156,789)*
Transfers between funds	19	**22,122**	**(22,122)**	**-**	*-*
NET MOVEMENT IN FUNDS		**(47,435)**	**(28,370)**	**(75,805)**	*(156,789)*
RECONCILIATION OF FUNDS:					
Total funds brought forward		**372,989**	**444,590**	**817,579**	*974,368*
Net movement in funds		**(47,435)**	**(28,370)**	**(75,805)**	*(156,789)*
TOTAL FUNDS CARRIED FORWARD		**325,554**	**416,220**	**741,774**	*817,579*

CHANGING FUTURES NORTH EAST
REGISTERED NUMBER: 04009541

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		2022 £
FIXED ASSETS					
Intangible assets	12		**760**		*1,330*
Tangible assets	13		**352,766**		*361,633*
			353,526		*362,963*
CURRENT ASSETS					
Debtors	15	**86,950**		*111,112*	
Investments	16	**81,203**		*81,203*	
Cash at bank and in hand		**290,716**		*404,646*	
		458,869		*596,961*	
Creditors: amounts falling due within one year	17	**(45,712)**		*(71,623)*	
NET CURRENT ASSETS			**413,157**		*525,338*
TOTAL ASSETS LESS CURRENT LIABILITIES			**766,683**		*888,301*
Creditors: amounts falling due after more than one year	18		**(24,909)**		*(70,722)*
TOTAL NET ASSETS			**741,774**		*817,579*
CHARITY FUNDS					
Restricted funds	19		**416,220**		*444,590*
Unrestricted funds	19		**325,554**		*372,989*
TOTAL FUNDS			**741,774**		*817,579*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

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

G Lamb Gillian Lamb

Date: 7.12.23

The notes on pages 31 to 54 form part of these financial statements.

CHANGING FUTURES NORTH EAST
REGISTERED NUMBER: 04009541

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		*2022 £*
FIXED ASSETS					
Intangible assets	12		**760**		*1,330*
Tangible assets	13		**352,766**		*361,633*
Investments	14		**10**		*10*
			353,536		*362,973*
CURRENT ASSETS					
Debtors	15	**120,852**		*132,663*	
Investments	16	**81,203**		*81,203*	
Cash at bank and in hand		**252,229**		*375,896*	
		454,284		*589,762*	
Creditors: amounts falling due within one year	17	**(41,137)**		*(64,434)*	
NET CURRENT ASSETS			**413,147**		*525,328*
TOTAL ASSETS LESS CURRENT LIABILITIES			**766,683**		*888,301*
Creditors: amounts falling due after more than one year	18		**(24,909)**		*(70,722)*
TOTAL NET ASSETS			**741,774**		*817,579*
CHARITY FUNDS					
Restricted funds	19		**505,310**		*444,590*
Unrestricted funds	19		**236,464**		*372,989*
TOTAL FUNDS			**741,774**		*817,579*

The charity's net movement in funds for the year was £(75,805) *(2022 - £(156,789))*.

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

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

G Lamb

Date:

The notes on pages 31 to 54 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	*2022* *£*
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	**(55,798)**	*(184,613)*
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	**62**	*983*
Purchase of tangible fixed assets	**(4,326)**	*(2,661)*
Purchase of investments	**-**	*(784)*
NET CASH PROVIDED BY INVESTING ACTIVITIES	**(4,264)**	*(2,462)*
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from new borrowing	**-**	*50,000*
Repayments of borrowing	**(53,868)**	*(11,330)*
NET CASH PROVIDED BY FINANCING ACTIVITIES	**(53,868)**	*38,670*
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	**(113,930)**	*(148,405)*
Cash and cash equivalents at the beginning of the year	**404,646**	*553,051*
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**290,716**	*404,646*

The notes on pages 31 to 54 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. GENERAL INFORMATION

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is:

3 Abbey Street
Hartlepool
TS24 0JR

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Changing Futures North East meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Income

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

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.3 Expenditure

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

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Software database	- 25 % straight line

2.5 Tangible fixed assets and depreciation

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Fixtures and fittings	- 20% - 25% straight line
Office equipment	- 20% - 25% straight line

2.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Financial instruments

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

2.8 Pensions

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

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Donations	**4,209**	**4,209**	*118*
Total 2022	*118*	*118*	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Systems change work	**64,352**	**61,750**	**126,102**	*78,242*
Couple and family relationships	**144,462**	**74,892**	**219,354**	*358,913*
Working with children and young people	**222,047**	**121,410**	**343,457**	*102,131*
Core support	**-**	**85,000**	**85,000**	*15,686*
Employment support	**-**	**110,271**	**110,271**	*344,134*
Fostering service	**353,410**	**-**	**353,410**	*96,831*
	784,271	**453,323**	**1,237,594**	*995,937*
Total 2022	*560,679*	*435,258*	*995,937*	

5. FUNDRAISING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Room hire	**-**	**-**	*3,352*
Other income	**5,115**	**5,115**	-
	5,115	**5,115**	*3,352*
Total 2022	*3,352*	*3,352*	

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Bank interest	**62**	**62**	*983*
Total 2022	*983*	*983*	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	*Total 2022 £*
Systems change work	**49,451**	**149,294**	**198,745**	*79,507*
Couple and family relationships	**153,490**	**17,046**	**170,536**	*332,033*
Working with children and young people	**297,258**	**157,762**	**455,020**	*245,902*
Employment	**14,951**	**135,469**	**150,420**	*334,872*
Fostering service	**348,064**	**-**	**348,064**	*164,865*
	863,214	**459,571**	**1,322,785**	*1,157,179*
Total 2022	*685,983*	*471,196*	*1,157,179*	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Systems change work	**171,916**	**26,829**	**198,745**	*79,507*
Couple and family relationships	**123,504**	**47,032**	**170,536**	*332,033*
Working with children and young people	**382,335**	**72,685**	**455,020**	*245,902*
Employment	**126,959**	**23,461**	**150,420**	*334,872*
Fostering service	**323,451**	**24,613**	**348,064**	*164,865*
	1,128,165	**194,620**	**1,322,785**	*1,157,179*
Total 2022	*987,168*	*170,011*	*1,157,179*	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF DIRECT COSTS

	Systems change work 2023 £	Couple and family relationships 2023 £	Working with children and young people 2023 £	Employment 2023 £
Staff costs	116,187	100,152	328,666	-
Project activities	2,738	3,785	24,325	126,959
Premises costs	-	2,582	60	-
Printing, postage and stationery	649	691	801	-
Phone	1,032	806	1,643	-
Repairs and renewals	11	-	388	-
Insurance	-	-	-	-
Travelling	1,603	2,061	13,293	-
Other staff costs	-	-	-	-
Other	1,972	1,284	3,874	-
Legal and professional	42,802	6,202	3,253	-
Training	4,922	5,941	6,032	-
Foster parent fees	-	-	-	-
	171,916	123,504	382,335	126,959
Total 2022	*66,755*	*273,527*	*229,254*	*278,769*

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF DIRECT COSTS (continued)

	Fostering service 2023 £	Total funds 2023 £	*Total funds 2022 £*
Staff costs	**97,743**	**642,748**	*512,617*
Project activities	**983**	**158,790**	*311,300*
Premises costs	**-**	**2,642**	*3,387*
Printing, postage and stationery	**-**	**2,141**	*6,016*
Phone	**-**	**3,481**	*3,870*
Repairs and renewals	**-**	**399**	*3,994*
Insurance	**4,330**	**4,330**	*3,991*
Travelling	**1,960**	**18,917**	*9,746*
Other staff costs	**337**	**337**	*500*
Other	**-**	**7,130**	*8,359*
Legal and professional	**16,462**	**68,719**	*43,256*
Training	**3,802**	**20,697**	*25,301*
Foster parent fees	**197,834**	**197,834**	*54,831*
	323,451	**1,128,165**	*987,168*
Total 2022	*138,863*	*987,168*	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF SUPPORT COSTS

	Systems change work 2023 £	Couple and family relationships 2023 £	Working with children and young people 2023 £	Employment 2023 £
Staff costs	10,871	18,913	29,615	9,508
Depreciation	2,172	3,777	5,915	1,899
Project activities	225	392	614	197
Premises costs	2,495	4,339	6,796	2,181
Printing, postage and stationery	380	661	1,035	332
Phone	409	711	1,114	358
Repairs and renewals	4,118	7,162	11,213	3,601
Insurance	1,100	1,915	2,999	963
Travelling	72	126	197	63
Equipment hire	108	188	295	95
Other staff costs	104	182	285	91
Other	1,605	3,164	3,993	1,402
Legal and professional	1,007	1,751	2,741	880
Training	13	13	20	12
Website development	-	-	-	-
Governance costs	2,150	3,738	5,853	1,879
	26,829	47,032	72,685	23,461
Total 2022	*12,752*	*58,506*	*16,648*	*56,103*

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF SUPPORT COSTS (continued)

	Fostering service 2023 £	Total funds 2023 £	*Total funds 2022 £*
Staff costs	-	**68,907**	*59,267*
Depreciation	-	**13,763**	*13,099*
Project activities	-	**1,428**	*1,401*
Premises costs	**184**	**15,995**	*13,638*
Printing, postage and stationery	**253**	**2,661**	*3,383*
Phone	**266**	**2,858**	*2,174*
Repairs and renewals	-	**26,094**	*21,190*
Insurance	-	**6,977**	*5,938*
Travelling	-	**458**	*206*
Equipment hire	-	**686**	-
Other staff costs	-	**662**	*50*
Other	**19,762**	**29,926**	*32,791*
Legal and professional	**4,148**	**10,527**	*9,660*
Training	-	**58**	*2,258*
Website development	-	-	*1,800*
Governance costs	-	**13,620**	*3,156*
	24,613	**194,620**	*170,011*
Total 2022	*26,002*	*170,011*	

9. AUDITORS' REMUNERATION

	2023 £	*2022 £*
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**8,000**	-
Fees payable to the charity's auditor in respect of:		
Independent examination	-	*1,000*
All non-audit services not included above	**3,410**	*3,380*

10. STAFF COSTS

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Wages and salaries	**572,828**	*525,876*	**484,004**	*472,617*
Social security costs	**127,146**	*36,646*	**118,764**	*31,380*
Contribution to defined contribution pension schemes	**11,681**	*9,362*	**11,144**	*9,362*
	711,655	*571,884*	**613,912**	*513,359*

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

	Group 2023 No.	*Group 2022 No.*	Charity 2023 No.	*Charity 2022 No.*
Charitable activities	**22**	*18*	**22**	*18*
Management and administration	**6**	*6*	**6**	*6*
Fostering service	**3**	*1*	**-**	*-*
	31	*25*	**28**	*24*

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration (including employers NI) paid to key management personnel was £110,249 (*2022: £105,358*)

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 March 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

12. INTANGIBLE ASSETS

Group and Charity

	Software database £
Cost	
At 1 April 2022	**4,280**
At 31 March 2023	**4,280**
Amortisation	
At 1 April 2022	**2,950**
Charge for the year	**570**
At 31 March 2023	**3,520**
Net book value	
At 31 March 2023	**760**
At 31 March 2022	*1,330*

13. TANGIBLE FIXED ASSETS

Group and Charity

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2022	**571,080**	**9,615**	**112,756**	**693,451**
Additions	**-**	**-**	**4,326**	**4,326**
At 31 March 2023	**571,080**	**9,615**	**117,082**	**697,777**
Depreciation				
At 1 April 2022	**213,110**	**9,615**	**109,093**	**331,818**
Charge for the year	**11,422**	**-**	**1,771**	**13,193**
At 31 March 2023	**224,532**	**9,615**	**110,864**	**345,011**
Net book value				
At 31 March 2023	**346,548**	**-**	**6,218**	**352,766**
At 31 March 2022	*357,970*	-	*3,663*	*361,633*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

14. FIXED ASSET INVESTMENTS

CHARITY	Investments in subsidiary companies £
Cost	
At 1 April 2022	**10**
At 31 March 2022	**10**
Net book value	
At 31 March 2023	**10**
At 31 March 2022	*10*

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office or principal place of business	Holding
Changing Futures Fostering Limited	11976708	3 Abbey Street, Hartlepool, TS24 0JR	**100%**

Included in consolidation

Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Changing Futures Fostering Limited	**359,482**	**(359,482)**	**10**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. DEBTORS

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Trade debtors	**60,183**	*91,691*	**26,814**	*75,656*
Amounts owed by group undertakings	**-**	*-*	**67,271**	*38,294*
Other debtors	**-**	*708*	**-**	*-*
Prepayments and accrued income	**26,767**	*18,713*	**26,767**	*18,713*
	86,950	*111,112*	**120,852**	*132,663*

16. CURRENT ASSET INVESTMENTS

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Bank deposit accounts	**81,203**	*81,203*	**81,203**	*81,203*

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Bank loans	**9,893**	*17,948*	**9,893**	*17,948*
Trade creditors	**4,458**	*27,843*	**3,892**	*23,703*
Other taxation and social security	**17,254**	*20,993*	**15,052**	*19,627*
Accruals and deferred income	**14,107**	*4,839*	**12,300**	*3,156*
	45,712	*71,623*	**41,137**	*64,434*

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Bank loans	**24,909**	*70,722*	**24,909**	*70,722*

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Revaluation Reserve	5,492	-	(175)	-	5,317
Moving on Relate	14,611	69,453	(52,514)	(31,550)	-
Independent Visitor	377	20,095	(26,415)	5,943	-
Independent Visitor Expenses	37	26,222	(26,432)	173	-
Independent Visitor Teesside	186	24,585	(27,390)	2,619	-
Getting help	24,744	110,565	(126,705)	(8,271)	333
Mentoring	6,885	14,984	(15,631)	(6,238)	-
IAPT 2022	507	42,731	(41,051)	(1,791)	396
	52,839	308,635	(316,313)	(39,115)	6,046
General funds					
General Fund	320,140	131,612	(187,419)	55,165	319,498
Funds in a non charitable subsidiary	10	353,410	(359,482)	6,072	10
	320,150	485,022	(546,901)	61,237	319,508
Total Unrestricted funds	372,989	793,657	(863,214)	22,122	325,554
Restricted funds					
Abbey Project	352,478	-	(11,247)	-	341,231
Parent Connectors	12,890	74,892	(40,236)	(21,425)	26,121
Tudor Trust	-	35,000	(35,000)	-	-
Mental Health Support Team	11,016	54,276	(48,008)	(10,884)	6,400
ESF	212	-	(13,230)	13,018	-
Employment support - Kickstart	25,058	110,271	(126,959)	(8,370)	-
Pre Employment and Employment	197	-	(6,577)	6,380	-
Victoria Ward	17,095	15,000	(23,166)	(2,652)	6,277
Ballinger Charitable Trust	1,075	35,000	(15,401)	-	20,674

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - CURRENT YEAR (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
CCG Neuro	8,138	18,136	(21,643)	(4,631)	-
Comic Relief	16,431	61,750	(68,001)	(3,911)	6,269
North Tees Mental Health Support Team	-	48,998	(46,451)	(2,547)	-
HBC PPT	-	-	(3,652)	12,900	9,248
	444,590	453,323	(459,571)	(22,122)	416,220
Total of funds	817,579	1,246,980	(1,322,785)	-	741,774

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 March 2022* £
Unrestricted funds					
Designated funds					
Revaluation Reserve	*5,667*	-	*(175)*	-	*5,492*
Moving on Relate	*7,195*	*226,829*	*(189,713)*	*(29,700)*	*14,611*
Independent Visitor	*1,245*	*15,853*	*(17,045)*	*324*	*377*
Independent Visitor Expenses	-	*15,439*	*(15,402)*	-	*37*
Independent Visitor Spot Purchase	*3,300*	*1,100*	-	*(4,400)*	-
Independent Visitor Teesside	*2,868*	*13,560*	*(13,694)*	*(2,548)*	*186*
Getting help	*134,802*	-	*(96,890)*	*(13,168)*	*24,744*
Mentoring	*15,348*	*59,919*	*(59,903)*	*(8,479)*	*6,885*
Covid Relief	*2,016*	-	-	*(2,016)*	-
Employment Support	*3,312*	-	*(3,312)*	-	-
IAPT 2022	-	*17,797*	*(17,290)*	-	*507*
	175,753	*350,497*	*(413,424)*	*(59,987)*	*52,839*
General funds					
General Fund	*359,758*	*117,804*	*(112,186)*	*(45,236)*	*320,140*
Funds in a non charitable subsidiary	*10*	*164,865*	*(164,865)*	-	*10*
	359,768	*282,669*	*(277,051)*	*(45,236)*	*320,150*
Total Unrestricted funds	*535,521*	*633,166*	*(690,475)*	*(105,223)*	*372,989*

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Restricted funds					
Abbey Project	363,545	-	(11,067)	-	352,478
Parent Connectors	28,409	15,342	(30,861)	-	12,890
Tudor Trust	2,648	-	(37,019)	34,371	-
Mental Health Support Team	-	17,761	(2,260)	(4,485)	11,016
ESF	-	6,600	(12,388)	6,000	212
The Rayne Foundation	717	-	-	(717)	-
Employment support - Kickstart	-	344,134	(280,774)	(38,302)	25,058
Pre Employment and Employment	-	1,500	(53,302)	51,999	197
Victoria Ward	-	21,800	(4,705)	-	17,095
Ballinger Charitable Trust	674	15,000	(14,599)	-	1,075
CCG Neuro	-	12,435	(940)	(3,357)	8,138
Fostering	-	686	(64,301)	63,615	-
Comic Relief	42,854	-	(22,522)	(3,901)	16,431
	438,847	435,258	(534,738)	105,223	444,590
Total of funds	974,368	1,068,424	(1,225,213)	-	817,579

19. STATEMENT OF FUNDS (CONTINUED)

DESIGNATED FUNDS

Moving on

The Charity has a contract to deliver a "Reducing Parental Conflict" project which it does under it's Moving On programme. Money secured to deliver the project has been designated to spend for that purpose. Transfers to core represent budgeted core cost contributions and any surplus made on delivery of the programme.

Mentoring

A Local Authority contract to provide a Mentoring Service to Children and Young People. Money secured to deliver the project has been designated to spend for that purpose. A transfer was made to core with an amount designated for expenditure on this project in the next financial year.

Independent visitor and Independent visitor expenses and spot purchases

Local Authority contract to provide volunteer Independent Visitors to Children and Young People in Care. Any surplus can be transferred to core.

Getting help (was IAPT) and IAPT 2022 (Improving Access to Psychological Therapies)

Income to expand availability of psychological therapies for children and parents by way of initially funding 5 students and then subsequently funded via a grant from CCG to be able to continue offering the service. Money brought forward has been spent in the current year as planned.

PURPOSES OF RESTRICTED FUNDS

Abbey Project

The Abbey Street Project represents funds raised to refurbish a building to be used by the Charity to provide facilities for the advancement of education and leisure time opportunities for children and young people. The main fund provider to the project was the community fund who kindly provided funding of £540,609 in circa 2001.

Parent Connectors

The brought forward funding came from Comic Relief. An underspend had been agreed with the funder and was used to employ 3 apprentices starting on the 1 April 2020. The current year project is funded by the Big Lottery and delivers a parenting course called Being a Parent in the Hartlepool Community.

Tudor Trust

A grant from The Tudor Trust to contribute to the CEO salary. This grant was recurrent for 3 years and ended in April 2023.

Mental Health Support Team

One member of staff has been seconded into this team to focus on supporting the parental relationship within this wider partnership.

ESF

19. STATEMENT OF FUNDS (CONTINUED)

Funding from Hartlepool Borough Council towards our work with Children and Young People.

Ballinger Charitable Trust

Income received towards the core costs of the Charity.

Employment support (Kickstart) and pre Employment

Funding to support unemployment people gain employment placements through the Government Kickstart scheme. This has been split across two funds to recognise the distrinction between monies recieved and passed on to third party employers and money used to hire our own employees. All money is recognised in one with a transfer between the funds. A further transfer out is then made to recognise the element of funding received towards administrative costs which has been moved to core.

Fostering

The Charity has invested in a trading subsidiary which runs a fostering agency. The Board have identified that given local need, and potential for future revenue generation, the Charity's objects and financial performance will best be enabled through investment in the development and delivery of a fostering service. This is therefore funded through unrestricted reserves, shown as a transfer in.

Comic Relief

This funding is the Relationship Matter to Schools project working to improve parental and school/parent relationships.

Victoria Ward

Community based project to help improve the lives of People living in the Victoria Ward of Hartlepool.

CCG Neuropathway

Funded by CCG and working in partnership with Alliance Psychology, this funding is used to improve children emotional wellbeing

Transfers are made between funds in order to reflect the element of funding receved which is spent on core activities.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	**11,535**	**341,231**	**352,766**
Intangible fixed assets	**760**	**-**	**760**
Current assets	**383,880**	**74,989**	**458,869**
Creditors due within one year	**(45,712)**	**-**	**(45,712)**
Creditors due in more than one year	**(24,909)**	**-**	**(24,909)**
Total	**325,554**	**416,220**	**741,774**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	*Restricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	*9,155*	*352,478*	*361,633*
Intangible fixed assets	*1,330*	*-*	*1,330*
Current assets	*504,849*	*92,112*	*596,961*
Creditors due within one year	*(71,623)*	*-*	*(71,623)*
Creditors due in more than one year	*(70,722)*	*-*	*(70,722)*
Total	*372,989*	*444,590*	*817,579*

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

	Group 2023 £	*Group 2022 £*
Net expenditure for the year (as per Statement of Financial Activities)	**(75,805)**	*(156,789)*
Adjustments for:		
Depreciation charges	**13,763**	*13,099*
Dividends, interests and rents from investments	**(62)**	*(983)*
Decrease/(increase) in debtors	**24,162**	*(67,041)*
Increase/(decrease) in creditors	**(17,856)**	*27,101*
Net cash used in operating activities	**(55,798)**	*(184,613)*

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	*Group 2022 £*
Cash in hand	**57,595**	*111,587*
Notice deposits (less than 3 months)	**233,121**	*293,059*
Total cash and cash equivalents	**290,716**	*404,646*

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	**404,646**	**(113,930)**	**290,716**
Debt due within 1 year	**(17,948)**	**8,055**	**(9,893)**
Debt due after 1 year	**(70,722)**	**45,813**	**(24,909)**
Liquid investments	**81,203**	**-**	**81,203**
	397,179	**(60,062)**	**337,117**

24. RELATED PARTY TRANSACTIONS

During the year the group made purchases totalling £1,100 (2022: £nil) from a company in which one of the directors of the trading subsidiary is a director.

CHANGING FUTURES NORTH EAST

England & Wales - Charity number 1089347

Accounts

Registered number: 04009541
Charity number: 1089347

CHANGING FUTURES NORTH EAST

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CHANGING FUTURES NORTH EAST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

G Walker, Chair
D Blackith
G Lamb
A N Jackson
A M Croymans (resigned 10 July 2022)
D M Jeffery
C Wright (resigned 25 May 2021)
H Deacon (resigned 27 July 2022)

Company registered number

04009541

Charity registered number

1089347

Registered office

3 Abbey Street, Hartlepool, TS24 0JR

Company secretary

A Jackson

Accountants

Waltons Business Advisers Limited, Maritime House, Harbour Walk, The Marina, Hartlepool, TS24 0UX

Bankers

Co-operative Bank Plc, Olympic House, 6 Olympic Court, Off Montford Street, Salford, M5 2QP

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

Reading last year's report I note that the primary focus was of continuous adaptation to new and challenging circumstances and a feeling that in spite of it all, CFNE had emerged in a stronger and better position than we might have expected after a year of almost continuous pandemic. Today, September 2022, my reflections on the last year and a half are more mixed. At the beginning, a sense of weariness, "oh not again", and a desire to move on and "get back to normal". Then in 2022, much more of "where are we now", what have we learnt and getting back to business with a renewed sense of drive and achievement.

To start with "what have we learnt" – perhaps the most important question a small business can ask itself – I think it is that we have resilience; the ability to adapt to circumstances beyond our control and continue to drive forward in changing the lives of our service users in very positive and creative ways. This is in no small measure due to the leadership of our CEO and senior managers, and the continuing enthusiasm from our staff and volunteers, to whom we owe a very large and heartfelt thank you. The pandemic forced us to think in a new way about how we work, and what does actually work . Out of it has come a blended work arrangement so that people can work from home and the office in a pattern that suits the needs of both. Similarly we have recognised that digital working is something to pursue as part of our "offer" to those who want to use our projects – not all are suitable, nor do all people who access it want it, but a surprising number have chosen digital operation and worked with us successfully to our mutual benefit. Again – well done for adaptation everyone!

Getting back to business has seen several successes this year. Perhaps most noteworthy is the DWP Reducing Parental Conflict project which completed in July 2022. Digital working was really successful in this workstream and particularly helped to facilitate the success of the groupwork component, perhaps to our surprise. The official research results are not out yet, but from our point of view we achieved more and better outcomes than anticipated, and we surpassed the milestones in some areas of the work. Our own analysis of outcomes and parents feedback shows a very successful project and we look forward to the official research. We also await with interest, possible new grants to target parental conflict work towards particular high need groups. The Board particularly wants to thank all the staff who participated in this project over what was probably the hardest of years. It is the success of their work that has directly contributed to changing the lives of the project users for the better. It has been an enormous effort and achieved real and positive results. Thank you for your hard work!
Of course mediation is an important part of reducing parental conflict and has a life and funding cycle of its own, and this continues very successfully and apace. We have more referrals than ever since we have been able to offer digital work. Mediation helps couples move forward after relationship breakdown and achieves a high level of success. It also contributes more each year to our funding and we are looking at expanding our team of mediators in our future planning for this service.

We are supporting Councils with training and consultancy support around reducing parental conflict, and hope to be commissioned to do more in the next financial year.

Independent Visitors has grown, since the pandemic, but unfortunately work slowed for some time as it was not very amenable to digital delivery. Now that things are back to normal we have recruited more volunteers to help with this important work providing an independent friend and mentor for children in care, and our number of matches continues to grow. Our volunteers are doing an amazing job, reflected in the feedback from young people – have a look at our website for more feedback
https://www.changingfuturesne.co.uk/volunteer/independent-visitors .

Our longstanding Mentoring service (which tended to focus on emotional wellbeing support) ended in July 2022 as the local Council ended a number of Children's Services contracts due to financial challenges. Despite this we have substantially expanded our Emotional Wellbeing offer, providing support for children and young people struggling often as a consequence of, or exacerbated by, the pandemic and its ongoing impact.

Our grant to Changing Futures Fostering is showing positive impact. A "Good" Ofsted report earlier was a significant achievement for the team. We have been pleased with the progress in recruiting and training foster parents and in placing children. CFF is emerging into a confident future, helping the most disadvantaged children. Starting a project in a pandemic has presented challenges we did not dream about, but it really feels

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

like the agency is on the move. Thank you to the new team of foster parents who are doing superbly and making such a difference, and to Sarah, and the team!

So where are we now in September 2022? Again this year I could repeat the paragraph I wrote last year! We are projecting forwards into 2023/24 and can see that funding is again looking positive for next year with a large proportion either secured or likely to be. We end the financial year with a small surplus and healthy free reserves which have been maintained even after investing in CFF.

We are again entering a period of renewal of the Board with 2 people leaving after long and valuable contributions to our organisation. We are recruiting new members, hopefully with specific skills to complement the direction of CFNE. We are now working together with Graham and the staff to look forward at where next – which areas of work can we develop for the future which will fit with our vision, support our communities and families and provide sustainable services and funding. This process is exciting the interest and enthusiasm of everyone in CFNE and we intend a new 5–10 year plan to grow out of this process, directing thoughts and actions for years to come.

It only remains for me to say a very sincere thank you to all at CFNE, CFF and our respective board members for your hard work and commitment over another very difficult year; one which has seen us rise to the challenges presented with renewed vigour, and one which has enabled us to support more children, young people and families and help them also to rise to the challenges of life in 2022.

G Walker
Chairman
Date: 1/12/2022

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2021 to 31 March 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

• Aims and objectives

The objects of the Charity (as amended on 10th July 2019) are :
specifically restricted for the public benefit to the promotion of the upbringing and care of children and young people in need from all backgrounds, cultures and faiths or none, in particular by:

- Promoting their better care and safeguarding them.
- Providing assistance to them and their families and carers
- Promoting their health
- Promoting their education and establishment in life.

The charity promotes the benefit of children and young people in particular through recognition of the interconnectedness of human systems and the role of the family and the community in creating the environmental conditions to enable children and young people to thrive.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

OBJECTIVES AND ACTIVITIES (continued)

• Our vision, mission and key strategies

The Charity is founded on the fundamental belief that relationships matter to people. They can catalyse joy. They can lead to profound misery. People with a variety of strong, healthy relationships are better able to thrive, and better deal with challenges presented by life. Through enhancing the relational resources available to children, family members, and community members and indeed those agencies and workers that make up the village around the family, the Charity seeks to bring about lasting social change.

Changing Futures North East seeks to make the North East of England, and Hartlepool in particular, a place where people have happier, healthier relationships than anywhere else in the country.

The organisation seeks to enable people and communities to flourish, through:

- Primarily enabling individuals and couples to have healthier couple relationships, improving children' s outcomes and wider societal outcomes
- Enabling family systems to have better communication and better functioning relationships
- Enabling organisations to establish and maintain healthier relationships, internally and externally, and better support key couple relationships
- Enabling everyone to increasingly recognise and value the importance of relationships, and use this knowledge to improve relationships

• The values that underpin what we do and how we work

The way the organisation thinks and operates will be reflective of and congruent with specific beliefs and values:

- Relationships matter to people, and have a tremendous impact on their happiness, health and life chances; different people within families and communities have different needs, but all have the right to multiple stable attachments within and outside of the family where power is not distributed harmfully. We will focus on helping people have healthy relationships.
- Early help is socially, ethically & financially better than late intervention, and is a cost effective and ethical way of enabling social change. Some people are not helped early enough to prevent significant difficulties developing, and their needs must be catered for too. We will help people as early as we can but not exclude those who have been failed by the systems around them.
- People are complex social creatures that influence, and are influenced by, a range of internal and external factors; we must think and, as appropriate, work with, people's internal worlds and people's wider systems in order to best enable change.
- All people have potential, and are best helped by demonstrating belief in them and enabling them to achieve their own self determined goals
- Parents love their children; families are an asset to work with, and family members have a key role to play in promoting healthy family functioning and children's welfare
- Reflective organisations where healthy relationships between workers and agencies are the norm enable better outcomes for customers.
- By modelling healthy ways of relating within the workplace and creating an environment conducive to effective communication and emotional regulation (that treats employees with the same respect we treat people in the community we help) we will best realise the organisation's social ambitions.
- People deserve to be safe in their relationships and their activities. We strive to keep staff, volunteers, family members and the wider public safe in our work.
- Work that is shaped and in some cases led by the community can have more reach and impact than work that is not; we will embed participation across the organisation and expand opportunities for people to have a voice and influence on what we do and how we do it.

OBJECTIVES AND ACTIVITIES (continued)

- **Our history and current focus**

Changing Futures North East began life as an estate based youth provider. In around 1997, a group of Headland residents and development workers banded together to consult young people as to their needs, and how they might better be met through youth provision in the area. The culmination of this work was the development of the Abbey Street Youth Project, led by a young person's steering group and supported by the wider community. At this point, the organisation formalised as Headland Future Limited.

The Charity still pursues its original mission to improve the lives of children and young people. Over time, the work of the organisation has shifted, based on learning that for many young people, direct work with them can only have so much impact. True change is enabled when the family context children live in is warm, nurturing, and free of poorly managed conflict, with healthy parental relationships in particular.

Changing Futures North East now operates across North East England, seeking to give young people the best chance to thrive by supporting key relationships in families, and enabling other agencies to maintain a focus on these key relationships to improve the impact of their work. We are an organisation that is more interested in what has happened to people than what's wrong with people, and we try to avoid labelling and stigmatising language (and encourage some parts of wider systems to reframe how they see and think about the people they work with).

The Charity has set up a subsidiary company, Changing Futures Fostering, to enable provision of a fostering service for children and young people. It has been particularly active in developing its emotional wellbeing programmes for children and families which is timely given the impact of the recent pandemic, its aftermath, and pressures arising from inflation.

OBJECTIVES AND ACTIVITIES (continued)

- **The people we work with**

The Charity has the privilege to work with children, young people, families and organisations in the North East of England, particularly in the Tees Valley.

The parents and organisations we work with are passionate about meeting the needs of children, and have a range of superb assets at their disposal. The children we work with care about their parents, their siblings and their peers, and want to enjoy life and succeed. The individuals we work with care about the people in their lives, want what's best for them, and want to be happy.

It is an unfortunate truth that many of those that ask for our help have been through forms of hardship (for instance, poverty, the trauma of losing a loved one, bullying, conflict laden and sometimes violent relationships, abuse, neglect) and that difficulties in their lives have left them with challenges that they are struggling to overcome successfully. However, they have shown much resilience, determination, and loyalty to others in their lives; our job, when asked, is to help people to draw on these assets and build on their strengths, identifying their own goals and then catalysing their own change.

We target different help to different groups, for instance separated families, parents in relationships, children in care, other young people, families.

The majority of families who accessed separation support had low incomes, and most former couples were in long term conflict. Evidence shows poorly managed and enduring couple conflict is highly detrimental to children's outcomes (especially when combined with material deprivation). Conflict where there are financial difficulties, or children and families live in poverty, is far more likely to result in poorer outcomes for children. Following the DWP investing in supporting Councils to better support parental conflict, and our own local work, we are refocusing our help towards those families with more complex situations where specialist help is likely to be needed as well as to training and supporting the wider children's workforce.

Much of the Charity's work is with people living in deprived communities (in Hartlepool the majority of the people we work with live in areas where children's outcomes are worse than in other areas, and there is material poverty). Some of the Charity's work is specifically targeted towards those that have suffered multiple disadvantages. Some work is focused on enabling people to develop the strengths and resources to avoid hardship through preventative programmes and collaboration with other agencies.

- **The people who enable change for children and families**

Firstly, a huge thank you to the parents and children who have let us into their lives. We support you to draw on your innate talents and skills, and to make your own change. We are privileged to be invited in to help.

A huge thank you as well to the 25 staff and 50 volunteers who provide this help to children and families, in addition to 7 people who volunteered as Trustees. The Charity would like in particular to thank those committed individuals who give up so much of their time to support people in the community, without whose help we would be unable to provide anywhere near the current level of service.

ACHIEVEMENTS AND PERFORMANCE

- **Main achievements of the Charity**

Direct help

- Maintain and expand an emotional wellbeing offer that increases access for children and families to psychological services
- Enable young people to secure jobs, ideally sustainable jobs (particularly supporting care experienced people)
- Ensure delivery of a therapeutic fostering offer
- Maintain and where possible grow our mediation offer
- Sustainably expand our Independent Visitors offer
- Retain couple relationship work as a core part of the organisations portfolio

The Charity helped 1596 people through its service provision compared to 1061 people in 2020/21 and 611 in 2019/20. Much of this increase was due to DWP, Parent Connectors work and IAPT.

Emotional Wellbeing	Reducing Parental Conflict	Youth & Community
212	738	208

The table below shows numbers of people who benefited from our help. Direct beneficiaries are people we worked with ourselves; indirect beneficiaries are usually children (where we have worked with their parents to help resolve conflict, improve parenting capacity or resolve a legal dispute).

	Practitioners	Direct beneficiaries	Indirect beneficiaries (estimated)	Total
Main activities 21/22	25	1158	627	1596
Main activities 20/21	20	674	367	1061
Main activities 19/20	30	366	265	661
Main activities 18/19	32	384	234	650

The Charity is the founder member of the Healthy Relationships Partnership. It holds the contract for the grant funding, employs and hosts the staff team and has responsibility for operational management of this initiative. Through this work, the Charity supported over 100 practitioners and 50 families through its Relationships Matter systems change work. Given the nature of this work it is more difficult to pin down exact numbers who benefitted.

ACHIEVEMENTS AND PERFORMANCE (continued)

• Maintain and expand an emotional wellbeing offer that increases access for children and families to psychological services

Living Well Project

We have operated such a project for many years under the guise of the Mentoring Project funded by Hartlepool Borough Council. This funding ceased in early 2022. However, we secured separate finance from the Clinical Commissioning Group to pilot "Adverse Childhood Experiences" (ACES) groups to families whose children haven't been picked up for a neurodevelopmental assessment because they feel that family members would better benefit from help to understand and process some of the trauma they have experiences in life.

Rockpool (who are the owners of the programme we deliver) succinctly explain what ACES are any why helping people who have experienced ACES matters:

"Adverse Childhood Experiences (ACEs) are stressful or traumatic experiences, including abuse, neglect and a range of household dysfunctions such as witnessing domestic violence or growing up with substance abuse, mental illness, parental discord or incarceration. Living with ACEs results in individuals developing coping and lifestyle strategies that are based on poor parental attachment and the effects of trauma.
In 2021/22 we supported 44 people across the year.

Improving Access to Psychological Therapies (IAPT) for Children, Young People and Families

We have been pleased to offer children and families emotional wellbeing support through a range of interventions including low intensity cognitive behavioural therapy (CBT), high intensity CBT, systemic family work and parenting support. Initially this was through 5 trainee staff under Health England Funding, then through a direct grant with the local Clinical Commissioning Group. Moving into January 2022, we partnered with alliance to form a North Tees getting help offer. Our staff now offer low and high intensity CBT, youth work interventions, parenting and relationship support and children's counselling.
We worked with 90 people across 21/22 with outcomes including improved mood, reduced anxiety and improved communication between family members.

Mental Health Support Teams

Mental Health Support Teams have been rolling out across the country. They seek to improve young peoples emotional wellbeing through:

- Delivering evidence based interventions (largely low intensity CBT)
- Supporting a senior mental health lead in each education setting to introduce or develop their whole school/college approach to supporting young peoples emotional wellbeing
- Giving timely advice to school and college staff, and liaising with external specialist services, to help children and young people to get the right support and stay in and do well in education

The Link has partnered with five other organisations in South Tees (Middlesbrough, Redcar) including Changing Futures to roll out Mental Health Support Teams there. Across this year we have had 1 worker seconded into the team to offer Parenting & Relationship support. We have recently appointed two Education Mental Health Workers to join this team in September.

Alliance has partnered with Changing Futures in North Tees (Hartlepool, Stockton) to roll out Mental Health Support Teams there. We have recently appointed four Education Mental Health Workers to join this team in October. We worked with 38 people across 21/22 .

ACHIEVEMENTS AND PERFORMANCE (continued)

• Enable young people to secure jobs, ideally sustainable jobs (particularly supporting care experienced people)

Changing Futures North East has acted as a "gateway" that has brought together 9 non-profits or socially minded businesses that intend to create up to 63 jobs for out of work young adults aged 16 – 25. Funding for these posts has been accessed through the governments Kickstart scheme. These agencies have invested in mentoring, coaching and training to help employees gain a range of skills. We are in the process of evaluating the scheme and understanding how many Kickstart employees have sustained employment in their host or other organisations, or went on to education.

• Ensure delivery of a therapeutic fostering offer

Funding has been given to Changing Futures Fostering Limited to deliver a fostering service to benefit children in North East England. The agency has now achieved a 'good' rating from Ofsted following its first inspection. There are a small number of children placed with a growing number of foster families. The agency launched during the pandemic and was challenged by the impact of Covid on foster parent applications, but now is seeing a steady stream of enquiries. The therapeutic model has been well received by foster parents.

• Maintain and where possible grow our mediation offer

Tees Valley Mediation is the trading name for our Mediation service and traditionally provided mediation in Tees Valley and East Durham. While last year we advertised mediation nationally, this year we have focused more so on local delivery (in part because there was not early clarification of rules around area of benefit post covid and a move by many to digital delivery). The current position is that around 50% of delivery must be face to face, unless we agree otherwise with our contract officer. We always offer people the choice of a face to face appointment. Mediation enables couples to resolve a legal dispute usually around children but also in connection with their finance arrangements following a separation or divorce.

In 2021/22:

- Referrals into mediation increased from the previous year and 435 referrals were received. From these referrals we supported 329 people with an initial piece of work.
- 113 couples then went on to engage in mediation which is a 46% increase from last years' figure of 77.
- Of those 113 couples 80% reached a Mediation Agreement.

ACHIEVEMENTS AND PERFORMANCE (continued)

• Retain couple relationship work as a core part of the organisations portfolio

The Reducing Parental Conflict programme ended in July 2022 and was funded by the Department for Work and Pensions. As part of the programme, relationship support interventions were offered to parents in conflict in four target geographies. The North East is one of these areas. We commenced delivery in 2019/20.

Unfortunately because this project is part of a research piece delivered under contract from a government department we are unable to publicly publish results as we had hoped to. We will discuss detailed results when we are allowed to in the Annual Report and on our website.

Performance of this project has been very good, with parents reporting substantial positive changes as a result of their work with the project. Help has generally been provided through Mentalisation based therapy for couples or parenting when separated groupwork.

Given we were well aware of the projects pending closure, we have made efforts to ensure there is a sustained couples work offer in Tees Valley supported by Changing Futures, over and above our mediation work:

- Training and consultancy – we have launched a training programme for leaders and managers, and practitioners, and are working with a range of Councils to help them ensure that their systems processes and practice enable them to identify and effectively work with couples whose conflict is now (or stands to) negative impact their children. We plan to broaden our customer base in 22/23.
- Mental health support team (South Tees) – we have a Parenting & Relationships Worker seconded into the team to provide direct help to parents in conflict, using some of the interventions they became proficient in delivering as part of the DWP funded programme.
- Getting help (North Tees) - we have a Parenting & Relationships Worker working with the wider emotional wellbeing partnership to provide direct help to parents in conflict, using some of the interventions they became proficient in delivering as part of the DWP funded programme.

The team are developing plans to expand our couples work offer in 2023.

• Sustainably expand our Independent Visitors offer

Independent Visitors guide, advise, listen to and befriend young people in care, sharing their experiences as well as trying new activities and spending quality time together. The Charity now offers Independent Visitors to young people in Hartlepool, Stockton, Middlesbrough, Darlington and Redcar. There has been growth in the number of young people supported.

	At 31 March 2020	At 31 March 2021	At 31 March 2022
Children Matched	18	35	38
Children on a waiting list	18	16	21

We operate under an evidence-based theory of change that shows that healthy independent visitor relationships with looked after children can mitigate harm, improve stability and help children achieve positive outcomes. Therefore we measure success for this service based on the quality of the relationship. Once again, over 90% of children who accessed the service reported that they gained a trusted friend/adult and all but two children rated the quality of the relationship as 9/10 or 10/10 (10/10 being excellent).

ACHIEVEMENTS AND PERFORMANCE (continued)

- **Enabling wider systems change**

- Enabling systems change through partnerships and in educational settings
- Be actively involved in partnerships leading to regeneration, greater collaboration between agencies and improved outcomes for children's and families
- Support parents and schools to work as collaboratively as is possible given the pandemic and other pressures on service delivery

We continue to prioritise partnership working to enable joined up delivery, generate new insights and mobilise to change systems that do not serve the community well enough. Examples of our partnership work include:

- Our Deputy CEO's membership of the Children's Strategic Partnership in Hartlepool, where he acts as Vice Chair
- Our CEO's membership of the Youth Justice Partnership Board in Hartlepool
- Working with Relate and Action for Children to deliver the Reducing Parental Conflict programme
- Working with the Link (and wider partners) and Alliance on emotional wellbeing delivery
- Victoria Ward partnership membership, leading to us now managing two community development workers active in the ward
- Leading a cross sector partnership of 9 agencies creating kickstart jobs
- Support for the Hartlepool Opportunities Partnership, which is shortly to deepen with our CEO's membership of their Board
- Sitting on a cross sector steering group that has ensures social prescribing is available for young people in Hartlepool, and to help evidence effectiveness and expand the offer

We have spoken at events on Reducing Parental Conflict across England to share our learning.
Additionally, we have worked with schools and parents to help all adjust to challenges arising from educating children and living under pressure during covid.

Other activities and performance

- **Parents Peer Support**

We were pleased to continue to deliver "being a parent" groups in partnership with Hartlepool borough Council funded through our systems change project and providing parenting support to over 100 parents. This work has now been put on a firmer footing with a 3 year lottery grant, and given opportunity to deepen its support by helping parents form support groups after formal programmes end.

Business objectives

- **Build employment support for care experienced young people**

We have acted as a Kickstart gateway as outlined earlier in this report. We have piloted a coaching programme for young people to support them into education and employment, many of whom were care experienced. We are evaluating this work to see if we can identify a scalable and fundable model.

- **Explore the viability of children's residential provision to compliment the fostering offer**

Work on this is now well underway, with a range of options around support for young people in care to be taken to the Board in autumn 2022. The Board are mindful of potential market changes should the recommendations in the independent review of children's social care be enacted.

- **Evaluate the organisations effectiveness in enabling people to make changes in their own lives**

There have been a series of project level evaluations, which are being drawn together in an evaluation for the autumn of 2022.

Financial review

- **Year end position**

Overall, there has been an increase in income from £840,863 in the prior year to £903,559 in the current year. This was largely due to income received in respect of the Kickstart project which has been passed on to our partner organisations. Expenditure also increased from £713,204 to £1,060,348.

Overall, there was a decrease in funds of £156,789. Total funds at the year end were £817,579 of which £444,590 was restricted.

- **Reserves policy**

The Board determined in it's 2015-2021 strategy that free reserves of £225,000 should be targeted, and that free reserves should grow on average by 4% of turnover per annum over the lifetime of the strategy. This target was achieved and at 31/3/21 some £315,155 was held in free reserves.

In 2021/22 the trustees continued to support Changing Futures Fostering by way of grant payments. Additionally, the Board embarked on the first phase of a programme of building renovations given the age and condition of it's building in Hartlepool. The cumulative impact in this period was an overall reduction in free reserves to £315,155 (excluding fixed assets).

It is expected that additional money will need to be spent on building renovations and supporting Changing Futures Fostering to achieve a break-even position in 2022/23. Additional cost pressures include rising utility bills and a need to offer an annual increase in wages to mitigate the impact of inflation – the first such payment in a number of years.

The trustees aspire to achieve a growth in reserves equal to 4% of turnover but are mindful that a further reduction in reserves may be necessary in 2022/23 and that any future increases in reserves may be more limited given the impact of inflation.

	Annual change	Income in year	Growth as % of income	Average to date
14/15-15/16	£60,248	£731,349	8.3%	8.3%
15/16-16/17	(£3,014)	£649,706	(0.5%)	3.9%
16/17-17/18	(£14,314)	£577,982	(2.5%)	1.8%
17/18-18/19	£34,231	£535,141	6.4%	2.8%
18/19-19/20	£89,250	£757,494	11.8%	4.7%
19/20-20/21	£17,827	£840,863	2.1%	4.3%
	Annual Change	Income in year	Growth as a % of income	% Change
20/21-21/22	(£34,747)	£903,559	(3.7%)	(3.7%)

Targeted investment has been made in activities of importance to the development of the Charity in this current financial year.

- **Reserves policy rationale**

The Trustees consider that the performance of the Charity over the period is satisfactory. However, in their annual risk review the trustees commented again on current and future economic conditions and political considerations creating or adding to uncertainly in the funding environment:

- Inflation and its impact on reducing the effective value of reserves, and pressures on budgets

- Reliance on sales generally to draw in revenue
- Children's social care review (as outlined earlier in this report)
- National political changes with new political leadership making the direction of travel in some areas uncertain
- Payment by results contracts and spot purchase contracts being common
- Pressure on local government and central government finances
- High competition for contracts and grant

The Board have considered how best the organisations strategic aims and objectives can be achieved in the context of the current and predicted environment and the organisations strengths and weaknesses. Their view is that sufficient reserves should be held to:

- Safeguard a limited number of services to vulnerable service users in the short term, until either replacement funding can be secured, other services can be brought in to offer support, or needs can be met by the Charity
- Providing working capital to ensure restricted funding remains restricted, and enable the Charity to operate in a PBR environment
- To cover liabilities in the unlikely event that the Charity is wound up
- To enable investment in development of new services, subject to a strong business case and likelihood of sustainable income and good outcomes from such services

Reserves should be managed in a way that, where it is necessary to hold them, they generate the best possible return for the Charity (including both financial and social return).

In respect of investment in development of new services, the Board are continuing to invest a substantial portion of reserves into the development of a fostering service because:

- The Board believe that this provision would meet an under-met need in an area with increasing market demand in North East England in particular
- It builds from the organisations core competencies in supporting family functioning and addressing neglect and trauma
- It links to one of the priority areas of spending for Local Authorities – there is and will remain a statutory obligation to safeguard vulnerable children

Investment from reserves was paired with two loans, one of which was repaid in 2022.

• Material investments policy

Under the Memorandum and Articles of Association the Charity has the power to make any investments which the Trustees see fit.

The charity currently only invests its funds in deposit accounts. The charities investments are under review given rises in interest rates.

• Principal risks and uncertainties

The Trustees actively review the major risks which the Charity faces as follows:

- A thorough annual audit of all risks
- Identification of risks that require monthly, quarterly and annual reports to be made to the Board
- Establishment of control measures to reduce risks, continued monitoring of risks through contract management groups and policy sub committees

The key risks the Charity is exposed to are:

- Pressures on government funding in the fields the Charity currently operates in and linked contracts, with risks to the proper functioning of Children's Services departments and financial viability of some Local

Authorities. Given challenges facing the economy we do not envisage this changing for a considerable period of time.

- Higher competition for trust and foundation funding as a result, as well as government contracts
- Extremely high inflation which is increasing our utility bills threefold and creating a desire and pressure to increase wages, but without suitable inflationary increases from funding bodies
- An extremely tough recruitment market, exacerbated by the ability of some companies to pay more for low skilled work than some of our higher skilled posts
- A continued shift in spending across current and prospective funders from earlier help services to those addressing specific marginalised or complex needs groups, or those that governmental agencies have a statutory obligation to help
- High dependence on 'sales' to generate revenue to enable the Charity to fulfil its objects, including;
  - Spot purchase and client self-funding for Mediation and Independent Visitors services
  - Requirement to recruit a high volume of volunteers to underpin delivery of Independent Visitors service
- Possible realignment of the 'market' for fostering following publication of the Independent review of Children's Social Care which could serve to drive down prices paid for placements over the medium term which may be challenging unless the agency can build scale and create linked efficiencies
- Possible realignment of the markets for other programmes supporting care experienced children and young people
- The challenges created for families by inflation, the pandemic, the pressures in the family court system, and our ability to meet ever increasing need.

Measures have been put in place to control these risks, which are reviewed monthly to quarterly by the Board. This includes:

- Prioritising development of existing and new services that there is a statutory obligation to supply – with us focusing in particular on Fostering and complimentary services like Independent Visitors, as well as exploring other options to work with children in care and their family members
- Negotiation with funders around inflationary increases
- Development of a benefits package and sales approach that makes clear the benefits of working for a small charity such as ours
- Continued investment in a Digital Marketing post to drive sales, and expansion of our online presence
- Month to month review of critical sales areas and fostering performance

- **Quality assurance and complaints**

Changing Futures North East is committed to standardising processes to ensure quality in multiple areas of business operations. Consequently the Charity pursues securing and maintaining relevant quality marks.
The Charity until July 2022 operated under a modified complaints procedure for the DWP Reducing Parental Conflict programme, where there is right of appeal to the DWP and an independent arbitration scheme (ICE) that potentially carries a financial penalty of £4,000 per upheld complaint.

0 complaints were informally received this financial year, as posed to 2 in the previous financial year

- **Going concern**

Despite the unexpected disruption of Covid the Charity has continued to adapt well and has increased its reach. Mediation sales grew and the adaptation to digital delivery has helped reduce travel and room hire costs across the business. These benefits continue to this day. Changing Futures Fostering, the subsidiary company, progressed at slower pace than had been hoped largely because of recruitment challenges during Covid. However the Company is now doing reasonably well and we expect it's performance to continue to build.

The Charity has a good reserves base and has expanded its portfolio of services in 2021 and 2022.

The Company faces the usual challenges next year with some projects coming to an end, however some replacement funds have already been secured (particularly from health related funding). There will be impacts from inflationary pressures, but these should not jeopardise the ability of the Charity to function and deliver help to people in the community.

For these reasons the Trustees continue to adopt the going concern basis in preparing the financial statements..

Structure, governance and management

- **Constitution**

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 7 June 2000 and updated on 24 January 2002, 7 April 2008 and 10th of July 2019.

- **Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

- **Organisational structure and decision-making policies**

A board of Trustees of up to 12 members, who meet at least quarterly (more usually monthly), administer the Charity. New Trustees receive a full induction from the chair and the CEO. There are subcommittees covering safeguarding, finance, health and safety and human resources. The board specifically reviews its performance and composition annually through a dedicated meeting, which is informed in part by the results from Trustee appraisals.

Contract management groups meet for some contracts, generally operating between monthly and every six months (depending on size and scope of contracts). Day to day decision making is delegated to the CEO, Graham Alton, and in his absence the Deputy CEO, Martin Todd. Responsibility for particular work areas is delegated by the CEO to project or work area coordinators or managers.

- **Pay policy for key management personnel**

The pay of senior staff is reviewed annually by a pay and conditions sub group comprised of at least two Directors including the Chair.

Positions are mainly benchmarked against comparably sized charities operating in North East England, usually focusing on those operating within the child health and social care industry. Salaries paid for positions with similar duties and requisite skills in the public sector are taken into account. Guides on salaries from relevant bodies are also taken into account. Proposals of the committee are considered by the full Board who make the final decision

- **Related party relationships**

The Charity, Changing Futures North East (CFNE) has established a wholly owned subsidiary Company, Changing Futures Fostering Limited (CFF). The constitution of CFF allows the Board of CFNE to appoint three Directors to CFF; at this time they are one Trustee of CFNE, the CEO of CFNE and the Deputy CEO of CFNE. The Board of CFF can add three Directors (and has to date made one appointment). CFNE has granted funds to CFF to deliver a therapeutic fostering agency to help CFNE fulfil its Charitable objects. Any surplus generated by CFF with be returned to CFNE.

Plans for future periods

Delivery and system change objectives

Our key objectives for the next year include:

- Enable changes in systems supporting children and families, through influencing, training, consulting and partnering with other people and agencies
- Support parents and schools to work as collaboratively as is possible
- Maintain an emotional wellbeing offer that increases access for children and families to psychological services
- Ensure delivery of a therapeutic fostering offer that has peer support at its core
- Maintain and where possible grow our mediation offer and reducing parental conflict consultancy and training
- Sustainably expand our Independent Visitors offer
- Deliver and broaden our community and parent peer support services to help people build connections that enable changes for their families and communities
- Retain couple relationship work as a core part of the organisations portfolio

Business objectives

- Develop a strategy for the next 5 to 10 years including:
  - Explore the viability of different projects support care experienced young people and families where children are on the verge of going into care, or have went into care. Create plans and enact them.
  - Explore the viability of projects to enhance our couples conflict /parental relationships offer and to scale effective work. Create plans and enact them.
- Evaluate the organisations effectiveness in enabling people to make changes in their own lives
- Restructure the organisation as necessary to give it the base it needs to deliver well and successfully undertake development activities
- Increase expertise in business development and service/social care project management on the Board

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

G R Walker

G Walker
Chair of Trustees
Date: 1/12/2022

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

Independent Examiner's Report to the Trustees of Changing Futures North East ('the Charity')

I report to the charity Trustees on my examination of the financial statements of the Charity for the year ended 31 March 2022.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements 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 the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants 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 Charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements 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 financial statements to be reached.

Signed: Dated: 6 December 2022

Heather O'Driscoll FCA

Waltons Business Advisers Limited
Chartered Accountants

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
INCOME FROM:					
Donations and grants	3	**118**	**-**	**118**	*24,362*
Charitable activities	4	**463,848**	**435,258**	**899,106**	*814,133*
Other trading activities	5	**3,352**	**-**	**3,352**	*605*
Investments	6	**983**	**-**	**983**	*1,763*
TOTAL INCOME		**468,301**	**435,258**	**903,559**	*840,863*
EXPENDITURE ON:					
Charitable activities	7	**525,610**	**534,738**	**1,060,348**	*713,204*
TOTAL EXPENDITURE		**525,610**	**534,738**	**1,060,348**	*713,204*
NET (EXPENDITURE)/INCOME		**(57,309)**	**(99,480)**	**(156,789)**	*127,659*
Transfers between funds	19	**(105,223)**	**105,223**	**-**	*-*
NET MOVEMENT IN FUNDS		**(162,532)**	**5,743**	**(156,789)**	*127,659*
RECONCILIATION OF FUNDS:					
Total funds brought forward		**535,521**	**438,847**	**974,368**	*846,709*
Net movement in funds		**(162,532)**	**5,743**	**(156,789)**	*127,659*
TOTAL FUNDS CARRIED FORWARD		**372,989**	**444,590**	**817,579**	*974,368*

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

The notes on pages 25 to 47 form part of these financial statements.

CHANGING FUTURES NORTH EAST
(A company limited by guarantee)
REGISTERED NUMBER: 04009541

BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		2021 £
FIXED ASSETS					
Intangible assets	12		**1,330**		*1,983*
Tangible assets	13		**361,633**		*371,418*
Investments	14		**10**		*10*
			362,973		*373,411*
CURRENT ASSETS					
Debtors	15	**132,663**		*49,813*	
Investments	16	**81,203**		*80,419*	
Cash at bank and in hand		**375,896**		*540,789*	
		589,762		*671,021*	
Creditors: amounts falling due within one year	17	**(64,434)**		*(23,207)*	
NET CURRENT ASSETS			**525,328**		*647,814*
Creditors: amounts falling due after more than one year	18		**(70,722)**		*(46,857)*
TOTAL NET ASSETS			**817,579**		*974,368*
CHARITY FUNDS					
Restricted funds	19		**444,590**		*438,847*
Unrestricted funds	19		**372,989**		*535,521*
TOTAL FUNDS			**817,579**		*974,368*

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

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

G R Walker

G Walker

Date: 1/12/2022

The notes on pages 25 to 47 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	*2021* *£*
CASH FLOWS FROM OPERATING ACTIVITES		
Net cash used in operating activities	**(201,101)**	*214,205*
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank interest	**983**	*1,763*
Purchase of tangible fixed assets	**(2,661)**	*(3,173)*
Net movement on deposit (over 3 months)	**(784)**	*(1,031)*
NET CASH PROVIDED BY INVESTING ACTIVITIES	**(2,462)**	*(2,441)*
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from new borrowing	**50,000**	*50,000*
Repayments of borrowing	**(11,330)**	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	**38,670**	*50,000*
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	**(164,893)**	*261,764*
Cash and cash equivalents at the beginning of the year	**540,789**	*279,025*
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**375,896**	*540,789*

The notes on pages 25 to 47 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is:

3 Abbey Street
Hartlepool
TS24 0JR

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Changing Futures North East meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.3 Expenditure

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

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Software database	-	% 4 years straight line

2.5 Tangible fixed assets and depreciation

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Fixtures and fittings	- 20% - 25% straight line
Office equipment	- 20% - 25% straight line

2.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Financial instruments

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

2.8 Pensions

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

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	**118**	**118**	*1,440*
Coronavirus Job Retention Scheme	-	-	*1,748*
Covid-19 grant income	-	-	*21,174*
	118	**118**	*24,362*
Total 2021	*24,362*	*24,362*	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Systems change work	**41,100**	**37,142**	**78,242**	*91,628*
Couple and family relationships	**358,913**	**-**	**358,913**	*329,945*
Working with children and young people	**63,835**	**38,296**	**102,131**	*353,082*
Core support	**-**	**15,686**	**15,686**	*39,478*
Employment support	**-**	**344,134**	**344,134**	*-*
	463,848	**435,258**	**899,106**	*814,133*
Total 2021	*698,833*	*115,300*	*814,133*	

5. FUNDRAISING INCOME

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Room hire	**3,352**	**3,352**	*145*
Other income	**-**	**-**	*460*
	3,352	**3,352**	*605*
Total 2021	*605*	*605*	

6. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Bank interest	**983**	**983**	*1,763*
Total 2021	*1,763*	*1,763*	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	*Total 2021 £*
Systems change work	**11,200**	**73,863**	**85,063**	*84,044*
Couple and family relationships	**310,425**	**47,088**	**357,513**	*371,137*
Working with children and young people	**169,583**	**83,569**	**253,152**	*258,023*
Employment support	**34,402**	**330,218**	**364,620**	-
	525,610	**534,738**	**1,060,348**	*713,204*
Total 2021	*521,547*	*191,657*	*713,204*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Systems change work	**66,755**	**18,308**	**85,063**	*84,044*
Couple and family relationships	**273,527**	**83,986**	**357,513**	*371,137*
Working with children and young people	**229,254**	**23,898**	**253,152**	*258,023*
Employment	**284,086**	**80,534**	**364,620**	-
	853,622	**206,726**	**1,060,348**	*713,204*
Total 2021	*512,429*	*200,775*	*713,204*	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Systems change work 2022 £	Couple and family relationships 2022 £	Working with children and young people 2022 £	Employment support 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	**44,960**	**233,661**	**175,471**	**-**	**454,092**	*440,198*
Project activities	**559**	**7,353**	**24,330**	**283,926**	**316,168**	*21,299*
Premises costs	**12**	**3,375**	**-**	**-**	**3,387**	*1,610*
Printing postage and stationery	**1,642**	**2,987**	**1,387**	**-**	**6,016**	*4,988*
Phone	**755**	**1,660**	**1,455**	**-**	**3,870**	*3,777*
Repairs and renewals	**948**	**-**	**2,886**	**160**	**3,994**	*-*
Travelling	**290**	**2,687**	**6,111**	**-**	**9,088**	*3,347*
Other	**914**	**4,183**	**3,262**	**-**	**8,359**	*4,110*
Legal and Professional	**13,925**	**5,922**	**7,782**	**-**	**27,629**	*11,765*
Training	**2,750**	**11,699**	**6,570**	**-**	**21,019**	*19,695*
Website development	**-**	**-**	**-**	**-**	**-**	*1,640*
	66,755	**273,527**	**229,254**	**284,086**	**853,622**	*512,429*
Total 2021	*60,297*	*285,620*	*166,512*	*-*	*512,429*	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Systems change work 2022 £	Couple and family relationships 2022 £	Working with children and young people 2022 £	Employment support 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	**5,249**	**24,079**	**6,852**	**23,087**	**59,267**	*49,656*
Depreciation	**1,160**	**5,321**	**1,514**	**5,104**	**13,099**	*14,135*
Project activities	**3,344**	**15,339**	**4,365**	**14,707**	**37,755**	*48,498*
Premises costs	**1,207**	**5,541**	**1,575**	**5,315**	**13,638**	*9,964*
Printing postage and stationery	**284**	**1,303**	**371**	**1,247**	**3,205**	*7,381*
Phone	**166**	**760**	**216**	**728**	**1,870**	*2,562*
Repairs and renewals	**1,877**	**8,609**	**2,450**	**8,254**	**21,190**	*9,382*
Insurance	**526**	**2,412**	**686**	**2,314**	**5,938**	*5,020*
Travelling	**18**	**84**	**24**	**80**	**206**	*96*
Other staff costs	**4**	**20**	**6**	**20**	**50**	*400*
Other	**3,248**	**14,899**	**4,240**	**14,289**	**36,676**	*40,733*
Legal and Professional	**586**	**2,689**	**765**	**2,578**	**6,618**	*4,228*
Training	**200**	**917**	**261**	**880**	**2,258**	*3,638*
Website development	**159**	**731**	**208**	**702**	**1,800**	-
Governance costs (note 9)	**280**	**1,282**	**365**	**1,229**	**3,156**	*5,082*
	18,308	**83,986**	**23,898**	**80,534**	**206,726**	*200,775*
Total 2021	*23,747*	*85,517*	*91,511*	-	*200,775*	

9. GOVERNANCE COSTS

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Independent Examination	**3,156**	**3,156**	*3,036*
Professional fees	**-**	**-**	*2,046*
	3,156	**3,156**	*5,082*
Total 2021	*5,082*	*5,082*	

10. STAFF COSTS

	2022 £	*2021 £*
Wages and salaries	**472,617**	*449,182*
Social security costs	**31,380**	*32,033*
Contribution to defined contribution pension schemes	**9,362**	*8,639*
	513,359	*489,854*

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

	2022 No.	*2021 No.*
Charitable activities	**18**	*18*
Management and Administration	**6**	*6*
	24	*24*

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration (including employers NI) paid to key management personnel was £105,358 (*2021: £105,490*).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 March 2022, expenses totalling £NIL were reimbursed or paid directly to Trustees *(2021 - £NIL)*

12. INTANGIBLE ASSETS

	Software database £
Cost	
At 1 April 2021	**4,280**
At 31 March 2022	**4,280**
Amortisation	
At 1 April 2021	**2,297**
Charge for the year	**653**
At 31 March 2022	**2,950**
Net book value	
At 31 March 2022	**1,330**
At 31 March 2021	*1,983*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2021	**571,080**	**9,615**	**110,095**	**690,790**
Additions	**-**	**-**	**2,661**	**2,661**
At 31 March 2022	**571,080**	**9,615**	**112,756**	**693,451**
Depreciation				
At 1 April 2021	**201,688**	**9,615**	**108,069**	**319,372**
Charge for the year	**11,422**	**-**	**1,024**	**12,446**
At 31 March 2022	**213,110**	**9,615**	**109,093**	**331,818**
Net book value				
At 31 March 2022	**357,970**	**-**	**3,663**	**361,633**
At 31 March 2021	*369,392*	*-*	*2,026*	*371,418*

14. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	**10**
At 31 March 2022	**10**
Net book value	
At 31 March 2022	**10**
At 31 March 2021	*10*

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Holding
Changing Futures Fostering Limited	11976708	3 Abbey Street, Hartlepool, TS24 0JR	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Changing Futures Fostering Limited	**164,865**	**164,864**	**10**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. DEBTORS

	2022 £	2021 £
Trade debtors	**75,656**	*16,398*
Amounts owed by group undertakings	**38,294**	*7,464*
Other debtors	**-**	*163*
Prepayments and accrued income	**18,713**	*25,788*
	132,663	*49,813*

16. CURRENT ASSET INVESTMENTS

	2022 £	2021 £
Bank deposit accounts	**81,203**	*80,419*

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loans	**17,948**	*3,143*
Trade creditors	**23,703**	*3,960*
Other taxation and social security	**19,627**	*13,068*
Accruals and deferred income	**3,156**	*3,036*
	64,434	*23,207*

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	*2021*
	£	*£*
Bank loans	**70,722**	*46,857*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022	*2021*
	£	*£*
Payable or repayable by instalments	**-**	*6,667*
	-	*6,667*

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated Funds					
Revaluation Reserve	5,667	-	(175)	-	5,492
Moving on Relate	7,195	226,829	(189,713)	(29,700)	14,611
Independent Visitor	1,245	15,853	(17,045)	324	377
Independent Visitor Expenses	-	15,439	(15,402)	-	37
Independent Visitor Spot Purchase	3,300	1,100	-	(4,400)	-
Independent Visitor Teesside	2,868	13,560	(13,694)	(2,548)	186
IAPT	134,802	-	(96,890)	(13,168)	24,744
Mentoring	15,348	59,919	(59,903)	(8,479)	6,885
Covid Relief	2,016	-	-	(2,016)	-
Employment Support	3,312	-	(3,312)	-	-
IAPT 2022	-	17,797	(17,290)	-	507
	175,753	350,497	(413,424)	(59,987)	52,839
General Funds					
General Fund	359,768	117,804	(112,186)	(45,236)	320,150
Total unrestricted funds	535,521	468,301	(525,610)	(105,223)	372,989

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Restricted Funds					
Abbey Project	363,545	-	(11,067)	-	352,478
Parent Connectors	28,409	15,342	(30,861)	-	12,890
Tudor Trust	2,648	-	(37,019)	34,371	-
Mental Health Support Team	-	17,761	(2,260)	(4,485)	11,016
ESF	-	6,600	(12,388)	6,000	212
The Rayne Foundation	717	-	-	(717)	-
Employment support- Kickstart	-	344,134	(280,774)	(38,302)	25,058
Pre Employment and Employment	-	1,500	(53,302)	51,999	197
Victoria Ward	-	21,800	(4,705)	-	17,095
Ballinger Charitable Trust	674	15,000	(14,599)	-	1,075
CCG Neuro	-	12,435	(940)	(3,357)	8,138
Fostering	-	686	(64,301)	63,615	-
Comic Relief	42,854	-	(22,522)	(3,901)	16,431
	438,847	435,258	(534,738)	105,223	444,590
Total funds	974,368	903,559	(1,060,348)	-	817,579

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 March 2021* £
Designated Funds					
Revaluation Reserve	*5,842*	-	*(175)*	-	*5,667*
Moving on Relate	-	*238,674*	*(212,103)*	*(19,376)*	*7,195*
Independent Visitor	*1,559*	*15,080*	*(12,719)*	*(2,675)*	*1,245*
Independent Visitor Expenses	-	*5,421*	*(5,459)*	*38*	-
Independent Visitor Spot Purchase	*1,100*	*2,200*	-	-	*3,300*
Independent Visitor Teesside	*1,856*	*9,000*	*(5,562)*	*(2,426)*	*2,868*
IAPT	*20,252*	*320,894*	*(142,771)*	*(63,573)*	*134,802*
Mentoring	*27,774*	*59,919*	*(51,863)*	*(20,482)*	*15,348*
Covid Relief	-	*11,174*	*(9,158)*	-	*2,016*
Employment Support	-	*10,000*	*(4,672)*	*(2,016)*	*3,312*
	58,383	*672,362*	*(444,482)*	*(110,510)*	*175,753*
General Funds					
General Fund	*335,653*	*53,201*	*(77,065)*	*47,979*	*359,768*
Total unrestricted funds	*394,036*	*725,563*	*(521,547)*	*(62,531)*	*535,521*

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 March 2021* £
Restricted Funds					
Abbey Project	*374,792*	-	*(11,247)*	-	*363,545*
Parent Connectors	*46,858*	*26,628*	*(41,077)*	*(3,999)*	*28,410*
Tudor Trust	-	*37,000*	*(26,240)*	*(8,113)*	*2,647*
The Henry Smith Charity	*15,306*	*(15,306)*	-	-	-
The Rayne Foundation	*717*	-	-	-	*717*
Ballinger Charitable Trust	*15,000*	-	*(9,326)*	*(5,000)*	*674*
Fostering	-	*1,978*	*(84,546)*	*82,568*	-
Comic Relief	-	*65,000*	*(19,221)*	*(2,925)*	*42,854*
	452,673	*115,300*	*(191,657)*	*62,531*	*438,847*
Total funds	*846,709*	*840,863*	*(713,204)*	-	*974,368*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

DESIGNATED FUNDS

Moving on

The Charity has a contract to deliver a "Reducing Parental Conflict" project which it does under it's Moving On programme. Money secured to deliver the project has been designated to spend for that purpose. Transfers to core represent budgeted core cost contributions and any surplus made on delivery of the programme.

Mentoring

A Local Authority contract to provide a Mentoring Service to Children and Young People. Money secured to deliver the project has been designated to spend for that purpose. A transfer was made to core with an amount designated for expenditure on this project in the next financial year.

Independent visitor and Independent visitor expenses and spot purchases

Local Authority contract to provide volunteer Independent Visitors to Children and Young People in Care. Any surplus can be transferred to core. Money secured to deliver the project has been designated to spend for that purpose and carried forward at the year end after any transfers to cover core costs.

IAPT and IAPT 2022 (Improving Access to Psychological Therapies)

Income to expand availability of psychological therapies for children and parents by way of initially funding 5 students and then subsequently funded via a grant from CCG to be able to continue offering the service. Money brought forward has been spent in the current year as planned.

Covid Relief

Funding granted to help with any necessary adjustments i.e. home working, social distancing etc due to the pandemic. This fund has now been released to core with the ending of Covid restrictions.

PURPOSES OF RESTRICTED FUNDS

Abbey Project

The Abbey Street Project represents funds raised to refurbish a building to be used by the Charity to provide facilities for the advancement of education and leisure time opportunities for children and young people. The main fund provider to the project was the community fund who kindly provided funding of £540,609 in circa 2001.

Parent Connectors (was Healthy relationships, better childhood - early action)

The brought forward funding came from Comic Relief. An underspend had been agreed with the funder and was used to employ 3 apprentices starting on the 1 April 2020. The current year project is funded by the Big Lottery and delivers a parenting course called Being a Parent in the Hartlepool Community.

The Tudor Trust

A grant from The Tudor Trust to contribute to the CEO salary. This grant is recurrent for 3 years ending in April 2023. The funding for the current year was delayed due to issues with submitting monitoring and recieved post year end. Core funding was therefore used and will be returned next year.

Mental Health Support Team
One member of staff has been seconded into this team to focus on supporting the parental relationship within this wider partnership.

ESF
Funding from Hartlepool Borough Council towards our work with Children and Young People.

The Rayne Foundation

The unspent funds brought forward have now been spent.

Ballinger Charitable Trust

Income received towards the core costs of the Charity.

Employment support (Kickstart) and pre Employment

Funding to support unemployment people gain employment placements through the Government Kickstart scheme. This has been split across two funds to recognise the distrinction between monies recieved and passed on to third party employers and money used to hire our own employees. All money is recognised in one with a transfer between the funds. A further transfer out is then made to recognise the element of funding received towards administrative costs which has been moved to core.

Fostering

The Charity has invested in a trading subsidiary which will run a fostering agency. The Board have identified that given local need, and potential for future revenue generation, the Charity's objects and financial performance will best be enabled through investment in the development and delivery of a fostering service. This is therefore funded through unrestricted reserves, shown as a transfer in.

Comic Relief

This funding is the Relationship Matter to Schools project working to improve parental and school/parent relationships.

Victoria Ward

Community based project to help improve the lives of People living in the Victoria Ward of Hartlepool.

CCG Neuropathway

Funded by CCG and working in partnership with Alliance Psychology, this funding is used to improve children emotional wellbeing

Transfers are made between funds in order to reflect the element of funding receved which is spent on core activities.

20. ANALYSIS OF NET ASSETS BETWEEN FUND

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	9,155	352,478	361,633
Intangible fixed assets	1,330	-	1,330
Fixed asset investments	10	-	10
Current assets	497,650	92,112	589,762
Creditors due within one year	(64,434)	-	(64,434)
Creditors due in more than one year	(70,722)	-	(70,722)
Total	372,989	444,590	817,579

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*7,873*	*363,545*	*371,418*
Intangible fixed assets	*1,983*	-	*1,983*
Fixed asset investments	*10*	-	*10*
Current assets	*595,719*	*75,302*	*671,021*
Creditors due within one year	*(23,207)*	-	*(23,207)*
Creditors due in more than one year	*(46,857)*	-	*(46,857)*
Total	*535,521*	*438,847*	*974,368*

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(156,789)**	*127,659*
Adjustments for:		
Depreciation charges	**13,099**	*14,135*
Dividends, interests and rents from investments	**(983)**	*(1,763)*
Decrease/(increase) in debtors	**(82,850)**	*75,217*
Increase/(decrease) in creditors	**26,422**	*(1,043)*
Net cash provided by operating activities	**(201,101)**	*214,205*

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	**82,837**	*117,928*
Notice deposits (less than 3 months)	**293,059**	*422,861*
Total cash and cash equivalents	**375,896**	*540,789*

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	**540,789**	**(164,893)**	**375,896**
Debt due within 1 year	**(3,143)**	**(14,805)**	**(17,948)**
Debt due after 1 year	**(46,857)**	**(23,865)**	**(70,722)**
Liquid investments	**80,419**	**784**	**81,203**
	571,208	**(202,779)**	**368,429**

24. RELATED PARTY TRANSACTIONS

During the year the Charity paid £64,301 (2021: £79,002) to Changing Futures Fostering Limited, a wholly owned subsidiary. This payment was a grant and any unspent funds are due back to the Charity. At the year end a balance of £38,294 (*2021:* £7,474) was owed from this company to the Charity.

CHANGING FUTURES NORTH EAST

England & Wales - Charity number 1089347

Accounts

Registered number: 04009541
Charity number: 1089347

CHANGING FUTURES NORTH EAST

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CHANGING FUTURES NORTH EAST
(A company limited by guarantee)

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CHANGING FUTURES NORTH EAST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees

G Walker, Chair
D Blackith (appointed 22 July 2020)
G Lamb (appointed 19 August 2020)
J Henderson, Vice Chair
A N Jackson
A M Croymans
D M Jeffery
C Wright (appointed 19 August 2020)
J M Townshend
H Deacon

Company registered number

04009541

Charity registered number

1089347

Registered office

3 Abbey Street, Hartlepool, TS24 0JR

Company secretary

A Jackson

Accountants

Waltons Clark Whitehill Limited, Maritime House, Harbour Walk, The Marina, Hartlepool, TS24 0UX

Bankers

Co-operative Bank Plc, Olympic House, 6 Olympic Court, Off Montford Street, Salford, M5 2QP

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

What a time this has been for everyone! We have had a lengthy period of total lockdown, and huge stresses and pressures for families, and everyone involved in keeping the show on the road at CFNE. I must begin therefore by paying tribute to our workforce of staff and volunteers, who have all been critical to the continued provision of high quality services to our users, in spite of the restrictions we have worked with. An enormous thank you to all of them who continued to "make it happen" and to Graham for his work in finding, understanding and translating the guidance into something that we could work with, and for his work this year more than almost any other, in seeking funding and new arrangements and contract adjustments to allow us to continue.

Along with everyone else in the workplace and the sector, adapting to change has been our key skill during this difficult time. Our ability to do so has meant that somewhat to our surprise, we have turned what might have been a disaster, into a success story. In financial terms at least, we have ended the last financial year with a small profit, and when taking into account CFNE's loan to establish the Fostering Service (CFF) in its early years, our reserves have been maintained, and even grown a little. Even more surprisingly we are on track for a good 2021/22 with funds in sight for the year at this early stage – no mean achievement this year, or indeed any other! Things are looking promising for 2022 as well, although there is a little more work to do and we are conscious that some big projects end in the middle of the year.

So how has this happened? Well to a large extent, digital working has worked well for us in most services, and adjustments to our contracts by other providers has helped too. The DWP Moving on project, now nearing the end of its official contract period, has been notable for both of these things. The DWP were one of the first funders to allow us to work digitally, and to adjust their terms from payment by results to first of all a payment based on our previous months, and now an "open book" accounting basis. We were so grateful for their prompt and unsolicited offer. After an early period of adjustment in getting the home working digital offer safe and operational, the work with most service users moved on and referrals again kept coming in. Digital working also positively helped us in offering the group programme for Parenting with Conflict, because digital groups allowed people from distant and disparate areas to attend in a way that would not have been possible with only small numbers. This project was therefore an early success, and funding has been offered for a further year, on the same basis, allowing us some security for the next financial year and the ability to continue what has been a very important piece of work for those families in high conflict particularly, who live in our area.

Another success story has been mediation, which was another service to move to online delivery, something which opened up referrals from a much wider area. Again referrals have exceeded our expectations, and from anticipating a reduction in income from mediation this year, we have again exceeded our expectations. Unfortunately we are still waiting for a final decision as to whether the contract for this work will allow digital working to continue at the scale we would like now that the immediate necessity for it is reducing – we are conscious that digital delivery may be limited to around half of all delivery. Nevertheless, as not all our mediation work is funded by this contract, our private work can continue on either basis, whichever is most appropriate for our users.

Our work with young people was more challenged by the restrictions on working, and in later months, face to face work was allowed with some young people where the need was highest. For others, digital work opened up some new activities online, such as baking – how creative is that! For others meeting in the park at a distance offered some opportunities. This is the service that was most looking forward to getting back to face to face work in 2021, but again, the volunteers showed enormous creativity in keeping going with their work supporting young people. We are hopeful that new restrictions aren't necessary as we wind up 2021 and move into 2022, but have contingencies in place to again deliver digitally and though "walks and talks" (weather dependant!).

The only area to really suffer was our new IAPT trainee scheme, which we hoped would provide training for 4 therapists, paid for by the NHS, and who we hoped would be the basis of an emotional wellbeing service offer for young people. Unfortunately these 4 trainees were only just recruited when lockdown happened so they didn't even get chance to get to know the service and the other staff. Only some of the 4 were allowed to work digitally, and that took some time to clarify, so referrals were slow and it was hard going. However, we did manage to help a lot of children and families, and get people through their qualification. We were pleased to get NHS funding again for 2021/22 from the local CCG to establish this service for young people who need extra

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

help.

We grant funded Changing Futures Fostering (CFF), our subsidiary Company, to develop and delver a fostering agency. We are pleased to see this grant funding has been well utilised; the fostering service has grown and developed, and with initial OFSTED registration in place, we were able to advertise and recruit foster families. CFF now have a number of approved foster parents and are hopeful that this success continues to be built upon in 2022. This is an embryonic service, and has provided many challenges, particularly in this pandemic year, but we are pleased to be able to report on its success at this early stage. Strenuous efforts are being made to ensure that it develops and meets its targets and we look forward to supporting more young people, and more foster parents who are willing to open their families and their lives to these children and young people who need their support.

We are also pleased to be a key part of the new DWP Kickstart scheme, and received funding for this in April 2021. We have 2 people in post supporting the apprentices to obtain and to keep jobs in our localities, and it is showing success.

So adapting to change has been both critical to our continued success as an organisation, and also to developing our staff in ways neither they, nor we, might ever have imagined. The Board has also been challenged to hold its regular meetings by Zoom, and like many of our workforce, some people have found it more challenging than others – dare I say, myself! We have welcomed new board members this year who have never met any of the others face to face and have never stepped inside our offices, but still have been willing and enthusiastic about joining and supporting our organisation.

The pandemic has changed the way we work, perhaps forever, and Graham is now busy helping the workforce to combine digital working with time spent in the office – a blended work style now that was not really considered before, other than to achieve peace and quiet to finish a report or a funding application! This blend is important because we discover that people still need people to interact with; to develop their skills with; to gain support from; to contribute to each other in a thousand small and large ways. We are an organisation dedicated to relationship building and improvement, and we know this more than most. For the next year, we must learn how to put these new skills into our workplace and lives, and use them to our mutual advantage. We must not hide away from real people forever, but nor need we return absolutely to “how we were” without taking anything from the experience and learning how to adapt again to new circumstances.

So at the end of what could have been a disastrous year, I must end, as I began, with a very large and sincere thank you, to all members of Changing Futures NE – we couldn’t have done it without you, and both I and the Board, are very grateful for your hard work and continued support. We look forward to another successful year for the company and for all of you. Thank You

G R Walker

G Walker
Chairman
Date: Dec 1, 2021

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2020 to 31 March 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

● Aims and objectives

The objects of the Charity (as amended on 10th July 2019) are :
specifically restricted for the public benefit to the promotion of the upbringing and care of children and young people in need from all backgrounds, cultures and faiths or none, in particular by:

- Promoting their better care and safeguarding them.
- Providing assistance to them and their families and carers
- Promoting their health
- Promoting their education and establishment in life.

The charity promotes the benefit of children and young people in particular through recognition of the interconnectedness of human systems and the role of the family and the community in creating the environmental conditions to enable children and young people to thrive.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

OBJECTIVES AND ACTIVITIES (continued)

● Our vision, mission and key strategies

The Charity is founded on the fundamental belief that relationships matter to people. They can catalyse joy. They can lead to profound misery. People with a variety of strong, healthy relationships are better able to thrive, and better deal with challenges presented by life. Through enhancing the relational resources available to children, family members, and community members and indeed those agencies and workers that make up the village around the family, the Charity seeks to bring about lasting social change.

Changing Futures North East seeks to make the North East of England, and Hartlepool in particular, a place where people have happier, healthier relationships than anywhere else in the country.

The organisation seeks to enable people and communities to flourish, through:

- Primarily enabling individuals and couples to have healthier couple relationships, improving children' s outcomes and wider societal outcomes
- Enabling family systems to have better communication and better functioning relationships
- Enabling organisations to establish and maintain healthier relationships, internally and externally, and better support key couple relationships
- Enabling everyone to increasingly recognise and value the importance of relationships, and use this knowledge to improve relationships

● The values that underpin what we do and how we work

The way the organisation thinks and operates will be reflective of and congruent with specific beliefs and values:

- Relationships matter to people, and have a tremendous impact on their happiness, health and life chances; different people within families and communities have different needs, but all have the right to multiple stable attachments within and outside of the family where power is not distributed harmfully. We will focus on helping people heave healthy relationships.
- Early help is socially, ethically & financially better than late intervention, and is a cost effective and ethical way of enabling social change. Some people are not helped early enough to prevent significant difficulties developing, and their needs must be catered for too. We will help people as early as we can but not exclude those who have been failed by the systems around them.
- People are complex social creatures that influence, and are influenced by, a range of internal and external factors; we must think and, as appropriate, work with, people’s internal worlds and people’s wider systems in order to best enable change.
- All people have potential, and are best helped by demonstrating belief in them and enabling them to achieve their own self determined goals
- Parents love their children; families are an asset to work with, and family members have a key role to play in promoting healthy family functioning and children's welfare
- Reflective organisations where healthy relationships between workers and agencies are the norm enable better outcomes for customers.
- By modelling healthy ways of relating within the workplace and creating an environment conducive to effective communication and emotional regulation (that treats employees with the same respect we treat people in the community we help) we will best realise the organisation's social ambitions.
- People deserve to be safe in their relationships and their activities. We strive to keep staff, volunteers, family members and the wider public safe in our work.
- Work that is shaped and in some cases led by the community can have more reach and impact than work that is not; we will embed participation across the organisation and expand opportunities for people to have a voice and influence on what we do and how we do it.

OBJECTIVES AND ACTIVITIES (continued)

• Our history and current focus

Changing Futures North East began life as an estate based youth provider. In around 1997, a group of Headland residents and development workers banded together to consult young people as to their needs, and how they might better be met through youth provision in the area. The culmination of this work was the development of the Abbey Street Youth Project, led by a young person's steering group and supported by the wider community. At this point, the organisation formalised as Headland Future Limited.

The Charity still pursues its original mission to improve the lives of children and young people. Over time, the work of the organisation has shifted, based on learning that for many young people, direct work with them can only have so much impact. True change is enabled when the family context children live in is warm, nurturing, and free of poorly managed conflict, with healthy parental relationships in particular.

Changing Futures North East now operates across North East England, seeking to give young people the best chance to thrive by supporting key relationships in families, and enabling other agencies to maintain a focus on these key relationships to improve the impact of their work.

The Charity has set up a subsidiary company, Changing Futures Fostering, to enable provision of a fostering service for children and young people.

• The people we work with

The Charity has the privilege to work with children, young people, families and organisations in the North East of England, particularly in the Tees Valley.

The parents and organisations we work with are passionate about meeting the needs of children, and have a range of superb assets at their disposal. The children we work with care about their parents, their siblings and their peers, and want to enjoy life and succeed. The individuals we work with care about the people in their lives, want what's best for them, and want to be happy.

It is an unfortunate truth that many of those that ask for our help have been through forms of hardship (for instance, poverty, the trauma of losing a loved one, bullying, conflict laden and sometimes violent relationships, abuse) and that difficulties in their lives have left them with challenges that they are struggling to overcome successfully. However, they have shown much resilience, determination, and loyalty to others in their lives; our job, when asked, is to help people to draw on these assets and build on their strengths, identifying their own goals and then catalysing their own change.

Different help is sometimes targeted to different groups, for instance separated families. The majority of families who accessed separation support had low incomes, and most former couples were in long term conflict. Evidence shows poorly managed and enduring couple conflict is highly detrimental to children's outcomes (especially when combined with material deprivation). Conflict where there are financial difficulties, or children and families live in poverty, is far more likely to result in poorer outcomes for children.

Much of the Charity's work is with people living in deprived communities (in Hartlepool the majority of the people we work with live in areas where children's outcomes are worse than in other areas, and there is material poverty). Some of the Charity's work is specifically targeted towards those that have suffered multiple disadvantages. Some work is focused on enabling people to develop the strengths and resources to avoid hardship through preventative programmes and collaboration with other agencies.

OBJECTIVES AND ACTIVITIES (continued)

● The people who enable change for children and families

Across the year 2020/21 23 staff and 40 volunteers helped children and families, in addition to 8 people who volunteered as Trustees. The Charity would like in particular to thank those committed individuals who give up so much of their time to support people in the community, without whose help we would be unable to provide anywhere near the current level of service.

ACHIEVEMENTS AND PERFORMANCE

● Main achievements of the Charity

Service delivery

- Build an emotional wellbeing offer that increases access for children and families to psychological services
- Enable young people to secure jobs, ideally sustainable jobs
- Ensure delivery of a therapeutic fostering offer
- Expand our national mediation offer
- Retain couple relationship work as a core part of the organisations delivery portfolio

The Charity helped 1061 people through its service provision compared to 661 people in 2019/20 and 271 in 2018/19 . Much of this increase was due to DWP, Parent Connectors work and IAPT.

The table below shows numbers of people who benefited from our help in 2020/21, 2019/20 and 2018/19. Direct beneficiaries are people we worked with ourselves; indirect beneficiaries are estimates about others who may have benefitted from our work (usually children, where we have worked with their parents to help resolve conflict, improve parenting capacity or resolve a legal dispute).

	Practitioners	Direct beneficiaries	Indirect beneficiaries (estimated)	Total
Main activities 20/21	20	674	367	1061
Main activities 19/20	30	366	265	661
Main activities 18/19	32	384	234	650

● Enable young people to secure jobs, ideally sustainable jobs

Changing Futures North East has acted as a “gateway” that has brought together 11 non-profits or socially minded businesses that intend to create up to 76 jobs for out of work young adults aged 16 – 25. Funding for these posts has been accessed through the governments Kickstart scheme. These agencies intend to invest in mentoring, coaching and training to help employees gain a range of skills that will help them either sustain their jobs with their employers, or be well placed to move into employment elsewhere. A majority of employers intend for roles to be extended beyond the initial six months if their business plans are achieved.

ACHIEVEMENTS AND PERFORMANCE (continued)

- **Ensure delivery of a therapeutic fostering offer**

Funding has been given to Changing Futures Fostering Limited which has achieved Ofsted registration and has attracted interest from prospective foster parents. A therapeutic training model has been developed and piloted with fostering applicants or prospective applicants as part of their assessment process. We look forward to reporting on progress after the organisations full first year of operation.

- **Expand our national mediation offer**

Tees Valley Mediation is the trading name for our Mediation service and traditionally provided mediation in Tees Valley and East Durham. This year saw the expansion of the project across England, targeting privately paying people further afield. Mediation enables couples to resolve a legal dispute usually around children but also in connection with their finance arrangements following a separation or divorce. Over the pandemic we have increasingly offered mediation digitally and hope that the Legal services Commission will allow digital mediation to continue into the future. It has proven to be efficient, effective and convenient for busy adults and parents.
In 2020/21:

- 299 referrals were received, which represents a 13% increase on the previous financial year. From these referrals we supported 137 people with an initial piece of work.
- 58 couples then went on to engage in mediation which is a 70% increase from last years' figure of 34.
- Of those 58 couples 76% reached a Mediation Agreement.

- **Retain couple relationship work as a core part of the organisations delivery portfolio**
- **Department for Work and Pensions Contract (subcontracted from RELATE to CFNE to operate in Tees Valley)**

The Reducing Parental Conflict programme is being funded by the Department for Work and Pensions. As part of the programme, relationship support interventions will be offered to parents in conflict in four target geographies. The North East is one of these areas. We commenced delivery in 2019/20. The contract had been due to end in 2021 but it has been extended by a further year. This project represents a large part of the organisations work across 2020/21.

Unfortunately, because this project is part of a research piece delivered under contract from a government department we are unable to publicly publish results as we had hoped to. We will discuss detailed results when we are allowed to in the Annual Report and on our website.

As a result of the pandemic the payment model switched from payment by results to a grant model. This has helped provide stability throughout the pandemic. The move to digital working brough fresh challenges regarding how to effectively engage with couples who live together, some of whom may be living in violent or abusive relationships. We invested in a thorough and wide-reaching review of our domestic violence and abuse policies and procedures and made a number of enhancements which were paired with professional training.
Performance of this project has been very good, with parents reporting substantial positive changes as a result of their work with the project. Help has generally been provided through Mentalisation based therapy for couples or parenting when separated groupwork.

- **Build an emotional wellbeing offer that increases access for children and families to psychological services**
- **Mentoring**

The mentoring service traditionally worked with young people, usually in groups, for at least 12 months. A volunteer mentor works with each child. We developed the project to offer Adverse Childhood Experiences Groups for parents and separately for Children. These are based on Rockpools model. Rockpool succinctly explain what ACES are and why helping people who have experienced ACES matters:

ACHIEVEMENTS AND PERFORMANCE (continued)

"Adverse Childhood Experiences (ACEs) are stressful or traumatic experiences, including abuse, neglect and a range of household dysfunctions such as witnessing domestic violence or growing up with substance abuse, mental illness, parental discord or incarceration. Living with ACEs results in individuals developing coping and lifestyle strategies that are based on poor parental attachment and the effects of trauma.

Because of covid, we had to innovate and we delivered some group content online and otherwise had one to one phone sessions with some parents. When restrictions allowed we ran groups and had face to face meetings in homes and in the community. Outcomes were less "expected" and included coping with pressures of everyone at home better, access to food and other emergency aid. We supported 35 families and over 70 people across the year.

- **Improving Access to Psychological Therapies (IAPT) for Children, Young People and Families**

Set up commenced in late January 2020 with referrals beginning in March. We worked with 5 people in this financial year. Full outputs and outcomes will be reported on next year. Referral pathways are being in the process of being built. The project has employed five staff who will have a small amount of delivery capacity a week to work with children and families, with the rest of their time spend on studying to achieve their qualification. The work is funded by Health Education England through the local Clinical Commissioning Group.

We worked with 102 people across the year with outcomes including improved mood, reduced anxiety and improved communication between family members

- **Co-construct a therapeutic fostering model with care leavers and foster parents**

A therapeutic model has been developed by children who used to be cared for by foster parents, in residential homes, and experienced foster parents. They have worked with Sarah Richardson, the new fostering manager, and Sally Wood, an experienced therapist, to develop a programme that is practical and helpful.

- **Other activities and performance**
- **Independent Visitors**

Independent Visitors guide, advise, listen to and befriend young people in care, sharing their experiences as well as trying new activities and spending quality time together. The Charity now offers Independent Visitors to young people in Hartlepool, Stockton, Middlesbrough, Darlington and Redcar. There has been growth in the number of young people supported.

	At 31st March 2020	At 31st March 2021
Children matched	18	35
Children on a waiting list	10	16

This year has been challenging as we have been able to support less new relationships than we would have liked to because of the pandemic. New relationships do not easily form by digital means, and many young people asked for a delay in meeting new volunteers until face to face work could happen. Many volunteers have adapted brilliantly including outdoor walk and talks, digital cooking or games from their respective homes, and text messages to young people who weren't comfortable on the phone or video.

We operate under an evidence-based theory of change that shows that healthy independent visitor relationships with looked after children can mitigate harm, improve stability and help children achieve positive outcomes. Therefore we measure success for this service based on the quality of the relationship. Over 90% of children who accessed the service reported that they gained a trusted friend/adult and all but one child rated the quality

ACHIEVEMENTS AND PERFORMANCE (continued)

of the relationship as 9/10 or 10/10 (10/10 being excellent).

- **Enabling systems change through partnerships and in educational settings**

- Be actively involved in partnerships leading to regeneration, greater collaboration between agencies and improved outcomes for children's and families
- Support parents and schools to work a collaboratively as is possible given the pandemic and other pressures

Our staff have spent much of this work building partnerships with other agencies to respond to the pandemic. Some tangible examples included:

- A group looking at community led housing
- Another partnership to support families in one ward in Hartlepool
- A cross sector partnership creating kickstart jobs

Additionally, we have worked with schools and parents to help all adjust to challenges arising from educating children and ,living under pressure during covid.

Parent connectors were funded through our systems change project and providing parenting support to over 100 parents.

Business objectives

- **Build employment support for care experienced young people**

A Development Worker has started to work with young people to co-construct projects that address gaps in the employment support landscape; firm proposals will be put together in 2021.

- **Explore the viability of children's residential provision to compliment the fostering offer**

Initial background research has begun and will continue over the next year. The findings of the independent review into children's social care will be important to consider when thinking about investment in this area.

- **Evaluate the organisations effectiveness in enabling people to make changes in their own lives**

A wide-reaching consultation has began that will report back in 2021.

Financial review

- **Year end position**

Overall, there has been an increase in income from £757,494 in the prior year to £840,863 in the current year. CCG funding received in December, paid in advance for the calendar year 2021, attributed to this increase. Expenditure also increased from £682,347 to £713,204.

Overall, there was an increase in funds of £127,659 Total funds at the year end were £974,368 of which £438,847 was restricted.

- **Reserves policy**

Existing reserves and performance against targets. The Board determined in its 2015 —2021 Strategy that free reserves of circa £225,000 should be targeted. This has been achieved and the current level is £349,902. This is an increase from the last financial year of £17,827.

The Board set a target of achieving an average of growth in reserves equating to 4% of income between 2015/1 to 2020/21:

	Annual change	Income in year	Growth as % of income	Average to date
14/15-15/16	£60,248	£731,349	8.3%	8.3%
15/16-16/17	(£3,014)	£649,706	(0.5%)	3.9%
16/17-17/18	(£14,314)	£577,982	(2.5%)	1.8%
17/18-18/19	£34,231	£535,141	6.4%	2.8%
18/19-19/20	£89,250	£757,494	11.8%	4.7%
19/20-20/21	£17,827	£840,863	2.1%	4.3%

Targeted investment has been made in activities of importance to the development of the Charity in this current financial year.

- **Reserves policy rationale**

The Trustees consider that the performance of the Charity over the period is satisfactory. However, in their annual risk review the Trustees commented again on current and future economic conditions and political considerations creating or adding to uncertainly in the funding environment:

- A growing trend towards payment by results contracts, where investment is needed in work and only recouped if targets (for instance, outputs and outcomes) are achieved
- Pressure on local government and central government finances, with early help services at substantial risk as local authorities focus on acute need and meeting statutory obligations
- High competition for contracts and grant
- Reliance on sales generally to draw in revenue
- Children's social care review

The Board have considered how best the organisations strategic aims and objectives can be achieved in the context of the current and predicted environment and the organisations strengths and weaknesses. Their view is that sufficient reserves should be held to:

- Safeguard a limited number of services to vulnerable service users in the short term, until either replacement funding can be secured, other services can be brought in to offer support, or needs can be met by the Charity
- Providing working capital to ensure restricted funding remains restricted, and enable the Charity to operate in a PBR environment
- To cover liabilities in the unlikely event that the Charity is wound up
- To enable investment in development of new services, subject to a strong business case and likelihood of sustainable income and good outcomes from such services

Reserves should be managed in a way that, where it is necessary to hold them, they generate the best possible return for the Charity (including both financial and social return).

In respect of investment in development of new services, the Board are continuing to invest a substantial portion of reserves into the development of a fostering service because:

- The Board believe that this provision would meet an under-met need in an area with increasing market

demand in North East England in particular
- It builds from the organisations core competencies in supporting family functioning and addressing neglect and trauma
- It links to one of the priority areas of spending for Local Authorities – there is and will remain a statutory obligation to safeguard vulnerable children

Investment is being paired with two loans that have been secured.

Within the next one to two financial years the Board plan to expend up to a further £100,000 of free reserves to support the development of a therapeutic fostering service. The Board plans to retain a minimum of £50,000 to cover cashflow and any outstanding liabilities and winding up costs. With strong performance in the trading subsidiary the free reserves balance would remain substantially higher.

● Material investments policy

Under the Memorandum and Articles of Association the Charity has the power to make any investments which the Trustees see fit.

The charity currently only invests its funds in deposit accounts. The interest received is considered to be acceptable in the current economic environment.

● Principal risks and uncertainties

The Trustees actively review the major risks which the Charity faces as follows:
- A thorough annual audit of all risks
- Identification of risks that require monthly, quarterly and annual reports to be made to the Board
- Establishment of control measures to reduce risks Continued monitoring of risks through contract management groups and policy sub committees

The key risks the Charity is exposed to are broadly the same as those reported on last year:
- Seemingly relentless pressures on government funding in the fields the Charity currently operates in and linked contracts, with risks to the proper functioning of Children's Services departments and financial viability of some Local Authorities. Covid seems likely to exacerbate these risks.
- Higher competition for charitable funding as a result
- Shift on spending across current and prospective funders from earlier help services to those addressing specific marginalised or complex needs groups, or those that governmental agencies have a statutory obligation to help
- High dependence on 'sales' to generate revenue to enable the Charity to fulfil its objects, including;
  - o Spot purchase and client self-funding for Mediation and Independent Visitors services
  - o Payment by results model for the major Reducing Parental Conflict service
  - o Subject to securing loan investment, spot purchase model for Fostering service
  - o Requirement to recruit a high volume of volunteers to underpin delivery of Independent Visitors service
- Cashflow management given planned investment from reserves in Fostering and servicing of loan debt
- Generally sparse funding for direct delivery services supporting parental relationships which will become an issue after the DWP reducing parental conflict programme concludes
- Decreasing contract availability and money for back office functions (and direct management) threatening capacity for business development and ensuring quality provision
- The unknown implications of the pandemic on the community and funding
- Potential challenges in engaging with and supporting some children, young people and parents who may not be able to build meaningful relationships with staff digitally, hindering our ability to help and contract performance

Measures have been put in place to control these risks, which are reviewed monthly to quarterly by the Board. This includes:

- Targeting dedicated grant funding for key development staff
- Prioritising development of existing and new services that there is a statutory obligation to supply – with us focusing in particular on Fostering and complimentary services like Independent Visitors
- Detailed multi-year cashflow modelling
- Regular check ins with staff, buddying systems for new staff with experienced staff, regular whole team digital meetings and development sessions
- Liaison with commissioners / funders of contracts where digital delivery may hinder performance in advance

● Quality assurance and complaints

Changing Futures North East is committed to standardising processes to ensure quality in multiple areas of business operations. Consequently the Charity pursues securing and maintaining relevant quality marks. The Charity holds the CHAS quality mark for health and safety and is using the foundations of the ISO 9001 system to build it's own system. The Charity has embedded an audit framework which includes gathering feedback form people we work with, attempt to work with, and looks for increasing evidence of people's participation (or voice and influence) in creation and running of projects.

The Charity operates under a modified complaints procedure for the DWP Reducing Parental Conflict programme, where there is right of appeal to the DWP and an independent arbitration scheme (ICE) that potentially carries a financial penalty of £4,000 per upheld complaint.

No complaints were informally received this financial year, as opposed to 2 in the previous financial year.

● Going concern

Despite the unexpected disruption of Covid the Charity has continued to adapt well and has increased its reach. Mediation sales have grown and the adaptation to digital delivery has helped reduce travel and room hire costs across the business.

Changing Futures Fostering, the subsidiary company, progressed at slower pace than had been hoped because of recruitment challenges during covid. However the Company is now doing well and should require less than forecast grant funding from CFNE to deliver against it's objects.

Whilst there remains uncertainty about the impact of Covid costs on public sector social programmes and on trust and foundation income over coming years, the Charity has a good reserves base and has expanded its portfolio of services in 2020 and 2021. The Company faces the usual challenges next year with some projects coming to an end, however some replacement funds have already been secured.

For these reasons the Trustees continue to adopt the going concern basis in preparing the financial statements.

Structure, governance and management

● Constitution

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 7 June 2000 and updated on 24 January 2002, 7 April 2008 and 10th of July 2019.

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

Structure, governance and management (continued)

- **Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

- **Organisational structure and decision-making policies**

A board of Trustees of up to 12 members, who meet at least quarterly (more usually monthly), administer the Charity. New Trustees receive a full induction from the chair and the CEO. There are subcommittees covering safeguarding, finance, health and safety and human resources. The board specifically reviews its performance and composition annually through a dedicated meeting, which is informed in part by the results from Trustee appraisals.

Contract management groups meet for some contracts, generally operating between monthly and every six months (depending on size and scope of contracts). Day to day decision making is delegated to the CEO, Graham Alton, and in his absence the Deputy CEO, Martin Todd. Responsibility for particular work areas is delegated by the CEO to project or work area coordinators or managers.

- **Pay policy for key management personnel**

The pay of senior staff is reviewed annually by a pay and conditions sub group comprised of at least two Directors including the Chair.

Positions are mainly benchmarked against comparably sized charities operating in North East England, usually focusing on those operating within the child health and social care industry. Salaries paid for positions with similar duties and requisite skills in the public sector are taken into account. Guides on salaries from relevant bodies are also taken into account. Proposals of the committee are considered by the full Board who make the final decision

- **Related party relationships**

The Charity, Changing Futures North East (CFNE) has established a wholly owned subsidiary Company, Changing Futures Fostering Limited (CFF). The constitution of CFF allows the Board of CFNE to appoint three Directors to CFF; at this time they are one Trustee of CFNE, the CEO of CFNE and the Deputy CEO of CFNE. The Board of CFF can add three Directors (and has to date made one appointment). CFNE has granted funds to CFF to deliver a therapeutic fostering agency to help CFNE fulfil its Charitable objects. Any surplus generated by CFF with be returned to CFNE.

Plans for future periods

Our key objectives for the next year are similar to last years, and include:

Enabling systems change through partnerships and in educational settings
- Be actively involved in partnerships leading to regeneration, greater collaboration between agencies and improved outcomes for children's and families
- Support parents and schools to work as collaboratively as is possible given the pandemic and other pressures

Service delivery
- Maintain and expand an emotional wellbeing offer that increases access for children and families to psychological services
- Enable young people to secure jobs, ideally sustainable jobs (particularly supporting care experienced people)
- Ensure delivery of a therapeutic fostering offer
- Maintain and where possible grow our mediation offer
- Sustainably expand our Independent Visitors offer
- Retain couple relationship work as a core part of the organisations portfolio

Business objectives
- Build employment support for care experienced young people
- Explore the viability of children's residential provision to compliment the fostering offer
- Evaluate the organisations effectiveness in enabling people to make changes in their own lives

Covid has resulted in new and enhanced risks which have been covered in the risk management section of this report. We note that Covid has also created new opportunities, namely:
- the switch to digital delivery expanding our potential market
- a move locally towards greater collaboration between agencies
- an enhanced focus on the value of community based support, seemingly reflected in retargeting of funding

Some of our key objectives for the year reflect how we intend to seize and explore these opportunities.

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

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

G R Walker

G Walker
Chair of Trustees
Date: Dec 1, 2021

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Report to the Trustees of Changing Futures North East ('the Charity')

I report to the charity Trustees on my examination of the financial statements of the Charity for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements 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 the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants 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 Charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements 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 financial statements to be reached.

Signed: Dated: 1 December 2021

Heather O'Driscoll FCA

Waltons Clark Whitehill Limited
Chartered Accountants

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
INCOME FROM:					
Donations and grants	3	**24,362**	**-**	**24,362**	*575*
Charitable activities	4	**698,833**	**115,300**	**814,133**	*737,598*
Other trading activities	5	**605**	**-**	**605**	*17,570*
Investments	6	**1,763**	**-**	**1,763**	*1,751*
TOTAL INCOME		**725,563**	**115,300**	**840,863**	*757,494*
EXPENDITURE ON:					
Charitable activities	7	**521,547**	**191,657**	**713,204**	*682,347*
TOTAL EXPENDITURE		**521,547**	**191,657**	**713,204**	*682,347*
NET INCOME/(EXPENDITURE)		**204,016**	**(76,357)**	**127,659**	*75,147*
Transfers between funds	19	**(62,531)**	**62,531**	**-**	-
NET MOVEMENT IN FUNDS		**141,485**	**(13,826)**	**127,659**	*75,147*
RECONCILIATION OF FUNDS:					
Total funds brought forward		**394,036**	**452,673**	**846,709**	*771,562*
Net movement in funds		**141,485**	**(13,826)**	**127,659**	*75,147*
TOTAL FUNDS CARRIED FORWARD		**535,521**	**438,847**	**974,368**	*846,709*

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

The notes on pages 22 to 43 form part of these financial statements.

CHANGING FUTURES NORTH EAST

(A company limited by guarantee)
REGISTERED NUMBER: 04009541

BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
FIXED ASSETS					
Intangible assets	12		**1,983**		*583*
Tangible assets	13		**371,418**		*383,780*
Investments	14		**10**		*10*
			373,411		*384,373*
CURRENT ASSETS					
Debtors	15	**49,813**		*125,030*	
Investments	16	**80,419**		*79,388*	
Cash at bank and in hand		**540,789**		*279,025*	
		671,021		*483,443*	
Creditors: amounts falling due within one year	17	**(23,207)**		*(21,107)*	
NET CURRENT ASSETS			**647,814**		*462,336*
Creditors: amounts falling due after more than one year	18		**(46,857)**		-
TOTAL NET ASSETS			**974,368**		*846,709*
CHARITY FUNDS					
Restricted funds	19		**438,847**		*452,673*
Unrestricted funds	19		**535,521**		*394,036*
TOTAL FUNDS			**974,368**		*846,709*

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

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

G R Walker

G Walker
(Chair of Trustees)

Date: Dec 1, 2021

The notes on pages 22 to 43 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	*2020* *£*
CASH FLOWS FROM OPERATING ACTIVITES		
Net cash used in operating activities	**214,205**	*16,462*
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank interest	**1,763**	*1,751*
Proceeds from the sale of tangible fixed assets	**-**	*(1,740)*
Purchase of investment in subsidiary	**-**	*(10)*
Purchase of tangible fixed assets	**(3,173)**	-
Net movement on deposit (over 3 months)	**(1,031)**	*(1,371)*
NET CASH PROVIDED BY INVESTING ACTIVITIES	**(2,441)**	*(1,370)*
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from new borrowing	**50,000**	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	**50,000**	**-**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	**261,764**	*15,092*
Cash and cash equivalents at the beginning of the year	**279,025**	*263,933*
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**540,789**	*279,025*

The notes on pages 22 to 43 form part of these financial statements

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

1. GENERAL INFORMATION

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is:

3 Abbey Street
Hartlepool
TS24 0JR

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Changing Futures North East meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.3 Expenditure

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

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Software database	-	4 years straight line

2.5 Tangible fixed assets and depreciation

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Fixtures and fittings	- 20% - 25% straight line
Office equipment	- 20% - 25% straight line

2.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Financial instruments

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

2.8 Pensions

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

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	**Total funds 2021 £**	*Total funds 2020 £*
Donations	**1,440**	**1,440**	*575*
Coronavirus Job Retention Scheme	**1,748**	**1,748**	-
Covid-19 grant income	**21,174**	**21,174**	-
	24,362	**24,362**	*575*
Total 2020	*575*	*575*	

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

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Systems change work	-	**91,628**	**91,628**	*239,769*
Couple and family relationships	**345,251**	**(15,306)**	**329,945**	*376,861*
Working with children and young people	**353,082**	-	**353,082**	*90,968*
Core support	**500**	**38,978**	**39,478**	*30,000*
	698,833	**115,300**	**814,133**	*737,598*
Total 2020	*455,479*	*282,119*	*737,598*	

5. FUNDRAISING INCOME

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Room hire	**145**	**145**	*1,300*
Other income	**460**	**460**	*16,270*
	605	**605**	*17,570*
Total 2020	*17,570*	*17,570*	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Bank interest	**1,763**	**1,763**	*1,751*
Total 2020	*1,751*	*1,751*	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Systems change work	**14,987**	**69,057**	**84,044**	*298,200*
Couple and family relationships	**314,591**	**56,546**	**371,137**	*303,333*
Working with children and young people	**191,969**	**66,054**	**258,023**	*80,814*
	521,547	**191,657**	**713,204**	*682,347*
Total 2020	*357,028*	*325,319*	*682,347*	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Systems change work	**60,297**	**23,747**	**84,044**	*298,200*
Couple and family relationships	**285,620**	**85,517**	**371,137**	*303,333*
Working with children and young people	**166,512**	**91,511**	**258,023**	*80,814*
	512,429	**200,775**	**713,204**	*682,347*
Total 2020	*507,529*	*174,818*	*682,347*	

Analysis of direct costs

	Systems change work 2021 £	Couple and family relationships 2021 £	Working with children and young people 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	**54,682**	**242,947**	**142,569**	**440,198**	*361,232*
Project activities	**202**	**15,839**	**5,258**	**21,299**	*77,191*
Premises costs	**-**	**1,610**	**-**	**1,610**	*9,172*
Printing postage and stationery	**164**	**3,467**	**1,357**	**4,988**	*6,369*
Phone	**362**	**1,945**	**1,470**	**3,777**	*1,548*
Travelling	**32**	**1,046**	**2,269**	**3,347**	*16,676*
Other	**420**	**2,521**	**1,169**	**4,110**	*3,755*
Legal and Professional	**4,435**	**5,130**	**2,200**	**11,765**	*15,663*
Training	**-**	**9,475**	**10,220**	**19,695**	*15,923*
Website development	-	**1,640**	-	**1,640**	-
	60,297	**285,620**	**166,512**	**512,429**	*507,529*
Total 2020	*238,763*	*210,680*	*58,086*	*507,529*	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Systems change work 2021 £	Couple and family relationships 2021 £	Working with children and young people 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	**5,873**	**21,151**	**22,632**	**49,656**	*48,362*
Depreciation	**1,672**	**6,021**	**6,442**	**14,135**	*14,561*
Project activities	**5,736**	**20,656**	**22,106**	**48,498**	*34,613*
Premises costs	**1,179**	**4,245**	**4,540**	**9,964**	*11,012*
Printing postage and stationery	**872**	**3,144**	**3,365**	**7,381**	*4,406*
Phone	**303**	**1,091**	**1,168**	**2,562**	*1,953*
Repairs and renewals	**1,111**	**3,996**	**4,275**	**9,382**	*7,894*
Insurance	**594**	**2,138**	**2,288**	**5,020**	*4,637*
Travelling	**11**	**41**	**44**	**96**	*2,136*
Other staff costs	**47**	**171**	**182**	**400**	*392*
Other	**4,817**	**17,351**	**18,565**	**40,733**	*1,055*
Legal and Professional	**500**	**1,801**	**1,927**	**4,228**	*26,993*
Training	**430**	**1,550**	**1,658**	**3,638**	*6,736*
Website development	**-**	**-**	**-**	**-**	*5,700*
Governance costs (note 9)	**602**	**2,161**	**2,319**	**5,082**	*4,368*
	23,747	**85,517**	**91,511**	**200,775**	*174,818*
Total 2020	*59,437*	*92,653*	*22,728*	*174,818*	

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

9. GOVERNANCE COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Independent Examination	**3,036**	**3,036**	*2,916*
Professional fees	**2,046**	**2,046**	*1,452*
	5,082	**5,082**	*4,368*
Total 2020	*4,368*	*4,368*	

10. STAFF COSTS

	2021 £	*2020 £*
Wages and salaries	**449,182**	*377,497*
Social security costs	**32,033**	*24,638*
Contribution to defined contribution pension schemes	**8,639**	*7,459*
	489,854	*409,594*

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

	2021 No.	*2020 No.*
Charitable activities	**18**	*14*
Management and Administration	**6**	*5*
	24	*19*

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration (including employers NI) paid to key management personnel was £105,490 (*2020: £106,509*).

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 March 2021, expenses totalling £NIL were reimbursed or paid directly to Trustees *(2020 - £NIL)*

12. INTANGIBLE ASSETS

	Software database £
Cost	
At 1 April 2020	**2,000**
Additions	**2,280**
At 31 March 2021	**4,280**
Amortisation	
At 1 April 2020	**1,417**
Charge for the year	**880**
At 31 March 2021	**2,297**
Net book value	
At 31 March 2021	**1,983**
At 31 March 2020	*583*

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2020	**571,080**	**9,615**	**109,202**	**689,897**
Additions	**-**	**-**	**893**	**893**
At 31 March 2021	**571,080**	**9,615**	**110,095**	**690,790**
Depreciation				
At 1 April 2020	**190,266**	**9,331**	**106,520**	**306,117**
Charge for the year	**11,422**	**284**	**1,549**	**13,255**
At 31 March 2021	**201,688**	**9,615**	**108,069**	**319,372**
Net book value				
At 31 March 2021	**369,392**	**-**	**2,026**	**371,418**
At 31 March 2020	*380,814*	*284*	*2,682*	*383,780*

14. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost	
At 1 April 2020	**10**
At 31 March 2021	**10**
Net book value	
At 31 March 2021	**10**
At 31 March 2020	*10*

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Holding
Changing Futures Fostering Limited	11976708	3 Abbey Street, Hartlepool, TS24 0JR	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Changing Futures Fostering Limited	**79,117**	**79,117**	**10**

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

15. DEBTORS

	2021 £	*2020 £*
Trade debtors	**16,398**	*83,104*
Amounts owed by group undertakings	**7,464**	*38,729*
Other debtors	**163**	*113*
Prepayments and accrued income	**25,788**	*3,084*
	49,813	*125,030*

16. CURRENT ASSET INVESTMENTS

	2021 £	*2020 £*
Bank deposit accounts	**80,419**	*79,388*

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	*2020 £*
Bank loans	**3,143**	-
Trade creditors	**3,960**	*4,277*
Other taxation and social security	**13,068**	*13,800*
Accruals and deferred income	**3,036**	*3,030*
	23,207	*21,107*

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	*2020* £
Bank loans	**46,857**	-

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	*2020* £
Payable or repayable by instalments	**6,667**	-
	6,667	-

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

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds					
Revaluation Reserve	5,842	-	(175)	-	5,667
Moving on Relate	-	238,674	(212,103)	(19,376)	7,195
Independent Visitor	1,559	15,080	(12,719)	(2,675)	1,245
Independent Visitor Expenses	-	5,421	(5,459)	38	-
Independent Visitor Spot Purchase	1,100	2,200	-	-	3,300
Independent Visitor Teesside	1,856	9,000	(5,562)	(2,426)	2,868
IAPT	20,252	320,894	(142,771)	(63,573)	134,802
Mentoring	27,774	59,919	(51,863)	(20,482)	15,348
Covid relief	-	11,174	(9,158)	-	2,016
Employment support	-	10,000	(4,672)	(2,016)	3,312
	58,383	672,362	(444,482)	(110,510)	175,753
General funds					
General Fund	335,653	53,201	(77,065)	47,979	359,768
Total unrestricted funds	394,036	725,563	(521,547)	(62,531)	535,521

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Restricted funds					
Abbey Project	374,792	-	(11,247)	-	363,545
Healthy Relationships, Better Childhood Early Action	46,858	26,628	(41,077)	(3,999)	28,410
Tudor Trust	-	37,000	(26,240)	(8,113)	2,647
The Henry Smith Charity	15,306	(15,306)	-	-	-
The Rayne Foundation	717	-	-	-	717
Ballinger Charitable Trust	15,000	-	(9,326)	(5,000)	674
Fostering	-	1,978	(84,546)	82,568	-
Comic Relief	-	65,000	(19,221)	(2,925)	42,854
	452,673	115,300	(191,657)	62,531	438,847
Total funds	846,709	840,863	(713,204)	-	974,368

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 March 2020* £
Designated funds					
Revaluation Reserve	*6,017*	-	*(175)*	-	*5,842*
Moving on	-	-	*(250)*	*250*	-
Moving on Relate	*6,907*	*260,168*	*(122,638)*	*(144,437)*	-
Independent Visitor	-	*22,129*	*(19,519)*	*(1,051)*	*1,559*
Independent Visitor Expenses	-	*9,915*	*(9,903)*	*(12)*	-
Independent Visitor Spot Purchase	-	*1,100*	-	-	*1,100*
Independent Visitor Teesside	-	*7,395*	*(3,114)*	*(2,425)*	*1,856*
IAPT	-	*50,129*	*(25,527)*	*(4,350)*	*20,252*
Mentoring	-	*60,569*	*(46,351)*	*13,556*	*27,774*
	12,924	*411,405*	*(227,477)*	*(138,469)*	*58,383*
General funds					
General Fund	*240,585*	*63,970*	*(118,436)*	*149,534*	*335,653*
Total unrestricted funds	*253,509*	*475,375*	*(345,913)*	*11,065*	*394,036*

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 March 2020* £
Restricted funds					
Abbey Project	*386,219*	-	*(11,427)*	-	*374,792*
Mentoring	*9,040*	-	-	*(9,040)*	-
Independent Visitor	*1,623*	-	-	*(1,623)*	-
Healthy Relationships, Better Childhood Early Action	*92,268*	*239,769*	*(238,763)*	*(46,416)*	*46,858*
Tudor Trust	*5,000*	-	*(5,000)*	-	-
Tees Valley Community Foundation	*19*	-	-	*(19)*	-
The Henry Smith Charity	*8,988*	*12,350*	*(6,032)*	-	*15,306*
The Rayne Foundation	*14,896*	-	*(14,179)*	-	*717*
Ballinger Charitable Trust	-	*15,000*	-	-	*15,000*
Fostering	-	*15,000*	*(61,033)*	*46,033*	-
	518,053	*282,119*	*(336,434)*	*(11,065)*	*452,673*
Total funds	*771,562*	*757,494*	*(682,347)*	-	*846,709*

DESIGNATED FUNDS

Moving on

The Charity has a contract to deliver a "Reducing Parental Conflict" project which it does under it's Moving On programme. Money secured to deliver the project has been designated to spend for that purpose. Transfers to core represent budgeted core cost contributions and any surplus made on delivery of the programme.

Mentoring

A Local Authority contract to provide a Mentoring Service to Children and Young People. This was previously shown as restricted but has been transfered to designated this year to better reflect that any surplus can be transferred to core. Money secured to deliver the project has been designated to spend for that purpose. A transfer was made from core to help fund this project with an amount designated for expenditure on this project in the next financial year.

Independent visitor and Independent visitor expenses and spot purchases

Local Authority contract to provide volunteer Independent Visitors to Children and Young People in Care. This was previously shown as restricted but has been transfered to designated this year to better reflect that any surplus can be transferred to core. Money secured to deliver the project has been designated to spend for that purpose and carried forward at the year end after any transfers to cover core costs.

IAPT (Improving Access to Psychological Therapies)

Income to expand availability of psychological therapies for children and parents by way of initially funding 5 students and then subsequently funded via a grant from CCG to be able to continue offering the service. Money secured to deliver the project has been designated to spend for that purpose. Transfers to core represent budgeted core cost contributions.

Covid Relief

Funding granted to help with any necessary adjustments i.e. home working, social distancing etc due to the pandemic. Some of this funding was used to part fund an Employment worker.

Employment support

Funding to support unemployment people gain employment placements through the Government Kickstart scheme. Additionally to support Young people to improve their chances of employment.

PURPOSES OF RESTRICTED FUNDS

Abbey Project

The Abbey Street Project represents funds raised to refurbish a building to be used by the Charity to provide facilities for the advancement of education and leisure time opportunities for children and young people. The main fund provider to the project was the community fund who kindly provided funding of £540,609 in circa 2001.

Healthy relationships, better childhood - early action

This fund represents investment to develop proposals for system change in Hartlepool to enable a shift in spending from acute to preventative and early intervention (Early Help) services. This funding came from Comic Relief. An underspend has been agreed with the funder and was used to employ 3 apprentices starting on the 1 April 2020.

The Tudor Trust

A grant from The Tudor Trust to contribute to the CEO salary. This grant is recurrent for 3 years ending in April 2023.

The Henry Smith Charity

This was funding towards the salary of a family support worker, the unspent amount brought forward was repaid to the funder in the current year.

The Rayne Foundation

This funding was also towards the salary of a family support worker. The funding received in the prior year was for two years. Any unspent funds will be carried forward for similar work.

Ballinger Charitable Trust

Income received towards the core costs of the Charity.

Fostering

The Charity has invested in a trading subsidiary which will run a fostering agency. The Board have identified that given local need, and potential for future revenue generation, the Charity's objects and financial performance will best be enabled through investment in the development and delivery of a fostering service.

Comic Relief

Building on previous funding for Healthy Relationships, Better Childhood this funding was granted to support improved Relationships in schools

Transfers are made between funds in order to reflect the element of funding receved which is spent on core activities.

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	**7,873**	**363,545**	**371,418**
Intangible fixed assets	**1,983**	**-**	**1,983**
Fixed asset investments	**10**	**-**	**10**
Current assets	**595,719**	**75,302**	**671,021**
Creditors due within one year	**(23,207)**	**-**	**(23,207)**
Creditors due in more than one year	**(46,857)**	-	**(46,857)**
Total	**535,521**	**438,847**	**974,368**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	*Restricted funds 2020* £	*Total funds 2020* £
Tangible fixed assets	*8,808*	*374,972*	*383,780*
Intangible fixed assets	*583*	-	*583*
Fixed asset investments	*10*	-	*10*
Current assets	*405,742*	*77,701*	*483,443*
Creditors due within one year	*(21,107)*	-	*(21,107)*
Total	*394,036*	*452,673*	*846,709*

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

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

	2021 £	*2020 £*
Net income for the year (as per Statement of Financial Activities)	**127,659**	*75,147*
Adjustments for:		
Depreciation charges	**14,135**	*14,561*
Dividends, interests and rents from investments	**(1,763)**	*(1,751)*
Decrease/(increase) in debtors	**75,217**	*(74,149)*
Increase/(decrease) in creditors	**(1,043)**	*2,654*
Net cash provided by operating activities	**214,205**	*16,462*

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	*2020 £*
Cash in hand	**117,928**	*41,897*
Notice deposits (less than 3 months)	**422,861**	*237,128*
Total cash and cash equivalents	**540,789**	*279,025*

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**279,025**	**261,764**	**540,789**
Debt due within 1 year	**-**	**(3,143)**	**(3,143)**
Debt due after 1 year	**-**	**(46,857)**	**(46,857)**
Liquid investments	**79,388**	**1,031**	**80,419**
	358,413	**212,795**	**571,208**

24. RELATED PARTY TRANSACTIONS

During the year the Charity paid £79,002 (2020: £33,961) to Changing Futures Fostering Limited, a wholly owned subsidiary. This payment was a grant and any unspent funds are due back to the Charity. At the year end a balance of £7,474 (*2020: £38,729*) was owed from this company to the Charity.

Changing futures approval accounts

Final Audit Report 2021-12-01

Created:	2021-12-01
By:	Changing Futures (admin@changingfuturesne.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAALdbp_ZpawjhReGaDytcQ-_hISYyowYRc

"Changing futures approval accounts" History

Document created by Changing Futures (admin@changingfuturesne.co.uk)
2021-12-01 - 11:25:56 AM GMT- IP address: 62.31.154.175

Document emailed to Gillian Ryden Walker (ashandgill1974@yahoo.co.uk) for signature
2021-12-01 - 12:07:24 PM GMT

Email viewed by Gillian Ryden Walker (ashandgill1974@yahoo.co.uk)
2021-12-01 - 3:36:18 PM GMT- IP address: 87.248.116.214

Document e-signed by Gillian Ryden Walker (ashandgill1974@yahoo.co.uk)
Signature Date: 2021-12-01 - 3:39:15 PM GMT - Time Source: server- IP address: 87.117.85.105

Agreement completed.
2021-12-01 - 3:39:15 PM GMT

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