

Company no. 04862177
Charity no. 1100518

Transform Drug Policy Foundation
Report and Unaudited Financial
Statements
31 March 2022

Transform Drug Policy Foundation

Reference and administrative details

For the year ended 31 March 2022

Company number 04862177

Charity number 1100518

Registered office and operational address The Station
Silver Street
Bristol
BS1 2AG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Nina Edmonds	
Katrina Ffrench	Appointed 1 March 2022
Jane Hickman	Resigned 8 September 2022
Howard Jacobs	
Rowan Miller	
Patricia Okuleye	Resigned 1 August 2021
Hannah Slater	
Victoria Unwin	

Chief executive officer Alex Feis-Bryce

Independent examiners Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Transform Drug Policy Foundation

Report of the trustees

For the year ended 31 March 2022

The Trustees present their report and accounts for the year ended 31 March 2022. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Structure, governance and management

Governing document

Transform Drug Policy Foundation is a charitable company limited by guarantee (company number 04862177) and registered as a charity (charity number 1100518). The company was established under a Memorandum of Association and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. Its registered office is The Station, Silver Street, Bristol, BS1 2AG.

Risk management and assessment

The Trustees are aware of their responsibilities to conduct a thorough risk assessment of the Charity's activities.

Currently risks are identified and controlled through a process of management overview of financial, managerial and strategic issues, coupled with frequent staff discussion and maintained in a risk register.

Appointment of trustees

The trustees who are directors for the purpose of company law and trustees for the purpose of charity law, who served for the year and up to the date of this report are set out on page 1. New trustees are appointed upon the recommendation of existing trustees and may involve external recruitment efforts using pro bono professional advice.

Organisational structure

Day to day responsibility for the provision of services rests with the Chief Executive Officer Alex-Feis-Bryce.

Objectives and activities for the public benefit

The trustees have had regard to the guidance issued by the Charity Commission on public benefit.

The Charity's activities during the year were the advancement of the education of the public and organisations in drug policy by research and dissemination of information, with a view to increasing the effectiveness of such policy and to preserve and safeguard the interests of the public. All our work is driven by the need to improve policy so that it better protects people according to reputable evidence.

Key achievements over the past year

This year Transform continued to make good progress on improving understanding of drug policy harms and solutions to deliver better outcomes. This was achieved whilst adjusting our operations to the post-covid world, and welcoming a new CEO, Alex Feis-Bryce, who joined us in February 2022 after taking over from his predecessor, Dr James Nicholls.

Transform Drug Policy Foundation

Report of the trustees

For the year ended 31 March 2022

Throughout this year, Transform ran a major campaign marking the 50th anniversary of the Misuse of Drugs Act 1971, which highlighted the failures of UK drug policy and called for an urgent review of the legislation. The campaign was supported by partners Release, DrugScience, and the Law Enforcement Action Partnership, demonstrating Transform's growing sector leadership. The campaign achieved significant political support with 65 cross-party MPs and peers acknowledging that the Act is not fit for purpose and backing a call for its review.

The Anyone's Child campaign continues to grow as an impactful voice for drug policy reform, with more family members joining the network. This year saw activists provide powerful testimonies calling for better drugs policy in public and political spaces, bringing home the human cost of the failures of the Misuse of Drugs Act.

Transform's new partnership with Blaksox launched at the end of April 2021. The project has delivered a series of podcasts and public events in London to engage and amplify the voices of Black communities in the drug policy debate.

This year saw the launch of the first phase of Transform's St George's House consultation work on drug policy and Christian ethics. An online event was attended by representatives from the Church of England, the Quakers, the Salvation Army, the Baptists, and the Catholic Church.

Transform has continued to work with a wide range of stakeholders, including Police, health service, local authorities, Scottish Government, the London Assembly and service delivery organisations. We contributed to the delivery groups of a number of innovative local projects on Heroin Assisted Treatment and Overdose Prevention Centres, which brought valuable insight into the practicalities and outcomes of employing alternative approaches to drugs within the UK.

Our global work has included continued engagement with NGOs working on cocaine regulation in Colombia, meetings at the invitation of the Maltese Government regarding their recent cannabis law reforms, and involvement in a number of side events at the UN Commission on Narcotic Drugs.

We are pleased that our funders John Ellerman Foundation, Tudor Trust, Open Society Foundation, CAF America, Esmee Fairbairn, Glass House Trust and Trust for London continue to see the value in funding our work. We also continue to receive support from a host of individual donors.

Transform's work this year has made strong progress in demonstrating the failures of current drug policy and the potential of alternative approaches for better outcomes. We have made good inroads into taking this conversation out to new audiences and communities, and growing our support among politicians across the political spectrum. Despite the challenges of cut-through in a crowded space for political attention in the UK, our message has increasing resonance and support, particularly among communities and families most affected by drug policy failures, and those who are keen to learn from the growing evidence base on drug policies which better reduce harms and protect the most vulnerable. We are grateful to all those who support us, through funding or lending their voices for change.

Transform Drug Policy Foundation

Report of the trustees

For the year ended 31 March 2022

Financial review

During the year we successfully maintained our funding base via individual donations, fundraising by our Anyone's Child members, and continued funding from trusts and foundations. We remained at a similar size to previous years, with a number of changes to our staff team. We are financially secure but continue to seek out new sources of investment to ensure our financial position is sustainable.

Transform received the donation of an activist's overdose prevention van to support our outreach and engagement work.

Results

The results are shown on the Income and Expenditure Account.

Volunteers

During the year volunteers donated their services to the charity. The trustees estimate that these services in kind had a value of the order of £6,300.

Funders

Funds are received via grant-making trusts and from donations made by a wide range of individuals in the form of monthly direct debits, one-off payments, gifts in kind and larger donations made annually or several times a year. Donations are also collected at special events.

Reserves policy

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby a designated fund should be established to meet: the working capital requirements of the charity for a period of 3 months in case future grants are not forthcoming; statutory payments liabilities for all staff; other liabilities. An amount of £126,000 has been maintained from unrestricted funds for this purpose, held in cash at the bank. Full details are set out in our Reserves and Investment Policy.

Trustees and directors

The trustees and directors who held office at the date this report was approved were:

Hannah Slater	Chair
Victoria Unwin	Vice chair
Nina Edmonds	
Howard Jacobs	
Rowan Miller	
Katrina Ffrench	

Statement of responsibilities of the trustees

The trustees (who are also 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Transform Drug Policy Foundation

Report of the trustees

For the year ended 31 March 2022

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

The trustees confirm that to the best of their knowledge there is no information relevant to the examination of which the independent examiners are unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant examination information and that this information has been communicated to the independent examiners.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 14 December 2022 and signed on their behalf by

Hannah Slater

Hannah Slater - Chair

Independent examiner's report

To the trustees of

Transform Drug Policy Foundation

I report to the trustees on my examination of the accounts of Transform Drug Policy Foundation (the charitable company) for the year ended 31 March 2022, which are set out on pages 7 to 19.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charitable company'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 in England and Wales (ICAEW), which is one of the listed bodies.

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

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

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

William Guy Blake

Date: 15 December 2022

William Guy Blake ACA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Transform Drug Policy Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income from:					
Donations	3	111,499	345,260	456,759	375,318
Charitable activities	4	-	1,798	1,798	3,096
Investments		-	153	153	460
Total income		<u>111,499</u>	<u>347,211</u>	<u>458,710</u>	<u>378,874</u>
Expenditure on:					
Raising funds		-	10,469	10,469	9,838
Charitable activities		<u>114,273</u>	<u>248,408</u>	<u>362,681</u>	<u>384,825</u>
Total expenditure	5	<u>114,273</u>	<u>258,877</u>	<u>373,150</u>	<u>394,663</u>
Net income / (expenditure)		(2,774)	88,334	85,560	(15,789)
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	6	(2,774)	88,334	85,560	(15,789)
Reconciliation of funds:					
Total funds brought forward		<u>77,667</u>	<u>271,743</u>	<u>349,410</u>	<u>365,199</u>
Total funds carried forward		<u><u>74,893</u></u>	<u><u>360,077</u></u>	<u><u>434,970</u></u>	<u><u>349,410</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 12 to the accounts.

Transform Drug Policy Foundation

Balance sheet

As at 31 March 2022

	Note	£	2022 £	2021 £
Current assets				
Debtors	9	4,939		4,960
Cash at bank and in hand		<u>508,488</u>		<u>379,017</u>
			513,427	383,977
Liabilities				
Creditors: amounts falling due within 1 year	10		<u>(78,457)</u>	<u>(34,567)</u>
Net current assets			<u>434,970</u>	<u>349,410</u>
Net assets	11		<u>434,970</u>	<u>349,410</u>
Funds	12			
Restricted funds			74,893	77,667
Unrestricted funds				
Designated funds			292,670	221,688
General funds			<u>67,407</u>	<u>50,055</u>
Total charity funds			<u>434,970</u>	<u>349,410</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 14 December 2022 and signed on their behalf by

Hannah Slater

Hannah Slater - Chair

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

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

Transform Drug Policy Foundation 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

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

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support and governance costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

i) Debtors

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

j) Cash at bank and in hand

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

k) Creditors

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

l) Financial instruments

The charitable company 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 recognised at amortised cost using the effective interest method.

m) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements during the year.

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations and legacies	73,923	301,395	375,318
Charitable activities	-	3,096	3,096
Investments	-	460	460
Total income	73,923	304,951	378,874
Expenditure on:			
Raising funds	-	9,838	9,838
Charitable activities	96,568	288,257	384,825
Total expenditure	96,568	298,095	394,663
Net income / (expenditure) and net movement in funds	(22,645)	6,856	(15,789)

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

3. Income from donations

	Restricted £	Unrestricted £	2022 Total £
Grants			
Esmee Fairbairn Foundation	-	50,000	50,000
Glass House Trust	-	15,000	15,000
John Ellerman Foundation	40,000	-	40,000
OSF Global Fund	-	146,628	146,628
Trust for London	20,000	-	20,000
Tudor Trust	50,000	-	50,000
Donations			
Other donations	1,499	128,632	130,131
Gifts in kind *	-	5,000	5,000
Total from donations	111,499	345,260	456,759

* Gifts in kind represent a one off donation of a converted ambulance used to educate the public on overdose prevention centres.

Prior period comparative:

	Restricted £	Unrestricted £	2021 Total £
Grants			
CAF America	-	24,462	24,462
Esmee Fairbairn Foundation	-	75,000	75,000
Glass House Trust	-	15,000	15,000
Linnet Trust	-	25,000	25,000
OSF Global Fund	-	76,237	76,237
Trust for London	20,000	-	20,000
Tudor Trust	52,000	-	52,000
University of Stirling	-	960	960
Donations			
Orr Mackintosh Foundation	-	25,000	25,000
Other donations	1,923	34,736	36,659
Gifts in kind *	-	25,000	25,000
Total from donations	73,923	301,395	375,318

* Gifts in kind represent a one off donation of strategy, brand, packaging, website and design work from Halo Media Communications Limited.

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

4. Income from charitable activities

	2022 Total £	2021 Total £
Consultancy	1,740	1,430
Sales of merchandise	58	1,666
Total income from charitable activities	1,798	3,096

All income from charitable activities in the current and prior year was unrestricted.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 7)	10,469	237,845	15,786	264,100
Training and recruitment	-	3,470	-	3,470
Postage and stationery	-	-	2,374	2,374
Printing and design	-	9,890	-	9,890
Subscriptions, licences and charges	-	3,216	4,800	8,016
Travel and subsistence	-	2,184	-	2,184
Event costs	-	19,429	-	19,429
Digital productions	-	13,511	-	13,511
Equipment and software	-	-	10,650	10,650
Legal and professional	-	400	13,831	14,231
Office costs	-	-	1,156	1,156
Rent, rates and utilities	-	-	19,003	19,003
Insurance	-	-	1,868	1,868
Accountancy	-	-	3,035	3,035
Bank charges	-	-	233	233
Sub-total	10,469	289,945	72,736	373,150
Allocation of support and governance costs	-	72,736	(72,736)	-
Total expenditure	10,469	362,681	-	373,150

Total governance costs were £1,800 (2021: £1,650).

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

5. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Staff costs (note 7)	9,838	262,248	13,177	285,263
Training and recruitment	-	1,400	-	1,400
Postage and stationery	-	-	1,763	1,763
Printing and design	-	11,024	-	11,024
Subscriptions, licences and charges	-	1,580	3,405	4,985
Travel and subsistence	-	233	-	233
Event costs	-	1,064	-	1,064
Digital productions	-	29,930	-	29,930
Equipment and software	-	-	4,160	4,160
Legal and professional	-	850	2,924	3,774
Office costs	-	-	1,860	1,860
Rent, rates and utilities	-	-	19,689	19,689
Insurance	-	-	2,170	2,170
Accountancy	-	-	1,650	1,650
Costs of merchandise	-	9	-	9
Volunteer expenses	-	10	-	10
Bank charges	-	-	150	150
Donations	-	529	-	529
Marketing (gift in kind)	-	-	25,000	25,000
Sub-total	9,838	308,877	75,948	394,663
Allocation of support and governance costs	-	75,948	(75,948)	-
Total expenditure	9,838	384,825	-	394,663

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

6. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiner's remuneration:		
▪ Independent examination (including VAT)	<u>1,800</u>	<u>1,650</u>

7. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	234,645	253,717
Social security costs	18,960	19,271
Pension costs	<u>10,495</u>	<u>12,275</u>
	<u>264,100</u>	<u>285,263</u>

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the Trustees and the Chief Executive Officer. The total employee benefits of the key management personnel were £56,255 (2021: £65,588).

	2022 No.	2021 No.
Average head count	<u>8.00</u>	<u>10.00</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

9. Debtors

	2022	2021
	£	£
Prepayments	4,674	4,695
Other debtors	265	265
	<u>4,939</u>	<u>4,960</u>

10. Creditors: amounts due within 1 year

	2022	2021
	£	£
Trade creditors	58,907	19,797
Accruals	11,056	11,826
Other taxation and social security	6,643	-
Other creditors	1,851	2,944
	<u>78,457</u>	<u>34,567</u>

11. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Current assets	90,331	292,670	130,426	513,427
Current liabilities	<u>(15,438)</u>	<u>-</u>	<u>(63,019)</u>	<u>(78,457)</u>
Net assets at 31 March 2022	<u>74,893</u>	<u>292,670</u>	<u>67,407</u>	<u>434,970</u>
Prior year comparative	Restricted funds £	Designated funds £	General funds £	Total funds £
Current assets	79,391	221,688	82,898	383,977
Current liabilities	<u>(1,724)</u>	<u>-</u>	<u>(32,843)</u>	<u>(34,567)</u>
Net assets at 31 March 2021	<u>77,667</u>	<u>221,688</u>	<u>50,055</u>	<u>349,410</u>

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

12. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
Anyone's Child	57,667	91,499	(74,273)	-	74,893
Trust for London	20,000	20,000	(40,000)	-	-
Total restricted funds	77,667	111,499	(114,273)	-	74,893
Unrestricted funds					
<i>Designated funds:</i>					
OSF	44,472	146,628	(71,100)	-	120,000
Esmee Fairbairn Foundation	18,754	50,000	(52,084)	-	16,670
CAF America	24,462	-	(24,462)	-	-
Reserves fund	126,000	-	-	-	126,000
Dilapidations fund	8,000	-	-	(8,000)	-
Trustee donation	-	-	-	30,000	30,000
<i>Total designated funds</i>	221,688	196,628	(147,646)	22,000	292,670
General funds	50,055	150,583	(111,231)	(22,000)	67,407
Total unrestricted funds	271,743	347,211	(258,877)	-	360,077
Total funds	349,410	458,710	(373,150)	-	434,970

Purposes of restricted funds

Anyone's Child	The Anyone's Child project, funded by the Tudor Trust and the John Ellerman Foundation, aims to enable families impacted by current drug policy to speak out.
Trust for London	Money received from the Trust for London to supported an allyship between Transform Drug Policy Foundation and Blaksox, which seeks to amplify the voices of Black communities in the drug policy debate.
Latin America	Money received from Mexico Unido Contra la Delincuencia for Transform's activities in Latin America.

Purposes of designated funds

Open Society Foundation	The Open Society Foundation provide an annual grant to fund charitable operations, with the current grant running until July 2024.
Esmee Fairbairn Foundation	The Esmee Fairbairn Foundation grant funds the charity's core work in the UK, i.e. education, research and advocacy.

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

12. Movements in funds (continued)

Purposes of designated funds

CAF America

This fund represents a grant received towards the end of March 2021 which was requested to fund activities that did not commence until after 1 April 2021.

Reserves fund

The Reserves fund exists to protect the charity against any sudden unexpected drop in funding. It is calculated to cover three months' running costs, plus the potential cost of staff redundancies and other contractual liabilities in the event of the charity being wound up.

Dilapidations fund

The Dilapidations fund exists to cover future costs of repairs and redecoration of the charity's offices.

Trustee donation

This donation has been designated for some work focusing on Christian Ethics and drug policy reform, including an event at St George's House and a report.

Prior year comparative

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
Latin America	9,975	1,923	(11,898)	-	-
Anyone's Child	90,337	52,000	(84,670)	-	57,667
Trust for London	-	20,000	-	-	20,000
Total restricted funds	100,312	73,923	(96,568)	-	77,667
Unrestricted funds					
<i>Designated funds:</i>					
OSF	35,736	76,237	(67,501)	-	44,472
Esmee Fairbairn Foundation	12,500	75,000	(68,746)	-	18,754
CAF America	25,119	24,462	(25,119)	-	24,462
Reserves fund	132,000	-	-	(6,000)	126,000
Dilapidations fund	4,000	-	-	4,000	8,000
<i>Total designated funds</i>	<i>209,355</i>	<i>175,699</i>	<i>(161,366)</i>	<i>(2,000)</i>	<i>221,688</i>
General funds	55,532	129,252	(136,729)	2,000	50,055
Total unrestricted funds	264,887	304,951	(298,095)	-	271,743
Total funds	365,199	378,874	(394,663)	-	349,410

Transform Drug Policy Foundation

Notes to the financial statements

For the year ended 31 March 2022

13. Related party transactions

The total aggregate donations from trustees during the year were £60,000 towards general costs of running Transform Drug Policy Foundation (2021: £25,000).

During the prior year the charity received a gift in kind of strategy, brand, packaging, website and design work from Halo Media Communications Limited. The company is related through Nina Edmonds, trustee, who is a shareholder of Halo's parent company. This gift in kind has been valued at £25,000 in the accounts. There were no similar gifts in kind this year.

The trustees are not aware of any further related party transactions during the year.

TRANSFORM

Drug Policy Foundation

William Guy Blake ACA
Godfrey Wilson Limited
Chartered Accountants & Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

14 December 2022

Dear Guy

Letter of Representations on the Financial Statements for the Year Ended 31 March 2022

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 5 August 2022, under the Companies Act 2006 for preparing financial statements, in accordance with 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).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2022.

2. We confirm that all accounting records have been made available to you for the purpose of your examination, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain evidence and have provided any additional information that you have requested for the purposes of your examination.
3. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
4. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
5. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.
6. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
7. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.

8. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.
9. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees except as disclosed in the financial statements.
10. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
11. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
12. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
13. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.
14. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.
15. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
16. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.
17. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
18. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.

Yours sincerely

Hannah Slater

Hannah Slater – Chair

For and on behalf of the trustees of Transform Drug Policy Foundation

Transform Drug Policy Foundation, The Station, Silver Street, Bristol, BS1 2AG

A company limited by guarantee. Registered in England and Wales. Registered charity number: 1100518. Limited company number: 4862177. Registered office: The Station, Silver Street, Bristol, BS1 2AG

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