

Causeway Charitable Services

England & Wales · Charity number 1110314

Details

Other names CITY HEARTS (UK), HOPE CITY ENTERPRISE

Status Registered

Legal form Charitable company

Company number [05396512](#)

Registered 2005-07-05

Register [View on the Charity Commission register](#)

Contact

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Sheffield
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Website <https://wearecauseway.org.uk>

Activities

Objects: 3 OBJECTS 3.1 THE OBJECTS OF THE CHARITY ARE: 3.1.1 TO RELIEVE THE HARDSHIP AND DISTRESS OF MEN, WOMEN AND CHILDREN WHO HAVE BEEN VICTIMS OF, OR ARE AT RISK OF BECOMING TRAPPED IN THE CYCLE OF CRIME AND EXPLOITATION THROUGH THE PROVISION OF NEEDS-BASED SUPPORT AND CARE; 3.1.2 TO RELIEVE THE NEED OF PERSONS: A) WHO ARE SURVIVORS OF MODERN SLAVERY, OR THOSE SUFFERING FROM, OR AT RISK OF, ABUSE (INCLUDING DOMESTIC ABUSE), HARDSHIP, DISTRESS, OR HOMELESSNESS BY PROVIDING ACCOMMODATION AND RELATED SUPPORT INCLUDING THE PROVISION OF EDUCATION AND TRAINING TO PROMOTE EMPLOYMENT, AND TO SUPPORT THOSE SO AFFECTED TO RECOVER, DEVELOP AND BE EQUIPPED AND EMPOWERED TO LIVE MORE INDEPENDENTLY; B) WHO BY REASON OF HAVING A HISTORY OF CRIMINAL OFFENDING, OR AT RISK OF DEVELOPING A HISTORY OF CRIMINAL OFFENDING, IN PARTICULAR BY THE PROVISION OF SUPPORT, ACCOMMODATION AND ASSISTANCE INCLUDING CASE WORKING, ADVOCACY, TRAINING AND RELATED SUPPORT SERVICES; AND TO PROVIDE SUPPORT, GUIDANCE AND TRAINING TO HELP PREVENT FUTURE OFFENDING; 3.1.3 TO RELIEVE UNEMPLOYMENT AND ADVANCE THE EDUCATION AND TRAINING OF MARGINALISED AND VULNERABLE GROUPS, BY PROVIDING TRAINING, MENTORING, ADVICE AND GUIDANCE TO ASSIST IN FINDING IDENTIFIABLE ROUTES INTO EMPLOYMENT; AND 3.1.4 TO ADVANCE THE EDUCATION OF THE PUBLIC AND TO PROMOTE PUBLIC AWARENESS AND UNDERSTANDING OF THE CHARITABLE NEEDS OF AND CAUSES OF HARDSHIP AMONG BENEFICIARIES OF THE CHARITY (THE "OBJECTS"). 3.2 NOTHING IN THESE ARTICLES SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CHARITY FOR PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005 AND/OR SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008.

Activities: Causeway supports marginalised and vulnerable people to recover from trauma and develop safe and fulfilling futures. Our modern slavery and crime reduction services include safe houses, outreach and community programmes, holistic crisis interventions and signposting into counselling, training and employment. We drive change nationally through research, campaigning and strategic partnerships.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,963,687	£9,524,165	£2,612,912	171
2024-03-31	£9,629,929	£9,761,143	£3,173,390	164
2023-03-31	£8,004,981	£7,640,274	£3,304,604	145
2022-03-31	£6,469,485	£6,251,822	£2,939,897	135
2021-03-31	£6,144,150	£5,258,401	£2,722,234	152

Trustees

Name	Role	Appointed
David Gore		2023-08-28
Elisabeth Jeanette Aitkenhead		2024-02-13
Fiona Dwyer		2025-06-05
Geoff Cheshire		2023-10-02
Jeffery Philip Waters		2024-01-15
Margaret Lally		2023-08-28
Md Mominul Hamid		2022-08-03
Sebastien Baugh		2023-08-28

Accounts

CHARITY REGISTRATION NUMBER 1110314

COMPANY REGISTRATION NUMBER 5396512

CAUSEWAY CHARITABLE SERVICES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



CAUSEWAY CHARITABLE SERVICES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M M Hamid M Lally S Baugh D Gore G A Cheshire E J Aitkenhead J P Waters F Dwyer K Jones-Kensah	(Appointed 5 June 2025) (Appointed 5 September 2025)
Secretary	R Bird	
Chief executive officer	H Ball	
Charity number	1110314	
Company number	5396512	
Principal address	3rd Floor 32 Eyre Street Sheffield S1 4QZ	
Registered office	3rd Floor 32 Eyre Street Sheffield S1 4QZ	
Auditors	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
Bankers	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV	
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN	

CAUSEWAY CHARITABLE SERVICES

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CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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

Our Purpose

At Causeway, our purpose is to enable marginalised and vulnerable individuals to find their voice and ensure society recognises their value

- We are committed to transforming lives and driving lasting change both for the people we support and society as a whole.
- We work to create thriving futures for all and strive to be the bridge to lasting change.

We recognise that both survivors of exploitation and perpetrators of crime often share experiences of marginalisation and vulnerability, shaped by systemic inequalities, poverty and social exclusion. By addressing the needs of both groups, we aim to break the cycles of harm and create pathways to dignity, independence and lasting change.

These individuals face significant physical and psychological barriers, leading to vulnerability and marginalisation, which heightens their risk of exploitation and re-exploitation.

The trauma they have experienced is often deep rooted and this severely hinders their ability to take steps to overcome their experiences and the barriers they face. Through our services and intervention projects we go beyond basic support and pro-actively work with our survivors to enable them to become successful, positive and valued contributing members of society.

Our Vision

To ensure a thriving future for marginalised and vulnerable people, including survivors of slavery and exploitation.

Our Goals

- To provide support and protection that enables people to break free from the cycle of crime and exploitation
- To amplify survivor voices alongside our own and work together towards a fairer society
- To actively collaborate and work in partnership across public and private sectors to achieve a more just and equitable society for marginalised and vulnerable people.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Our commitments to achieve our goals

Amplifying survivor voices

We will help survivors find their voice, ensuring they are heard, recognised and their contributions valued by society.

Informed decision making

We will bring the insights of survivors alongside our expert network of partners, stakeholders, supporters and practitioners, to the forefront of decision-making processes.

Innovate and collaborate

We will continually evolve and strengthen our services by working with private, public, and academic partners, advocating for the rights of survivors at every opportunity.

Invest in our workforce

We will prioritise the development of our staff, ensuring they are equipped and supported to deliver the best possible care.

Strengthen our resilience

We will strengthen the resilience of our organisation to ensure the sustainability of our work so we can continue our work for as long as it is needed.

Raise public awareness

We will educate the public and our partners about the prevalence of modern slavery and exploitation through impactful and empowering content, campaigns and initiatives, ensuring that this abhorrent crime no longer remains hidden.

Engagement with government and authorities

We will actively work in partnership with government officials, public sector agencies such as Police, NHS and Local Authorities to play our part in preventing exploitation and achieve positive outcomes for those we support.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Modern Slavery Support

In 2024/25 we supported 1,385 survivors through our National Referral Mechanism (NRM) and post NRM provision and continued to deliver effective added value support through our running of the Bright Future matching service following the launch of its new online recruitment platform and our extended material assistance programme Life Supply.

All this has been achieved against a backdrop of political change and policy review, which at times proved very challenging. Key points of note include the planned implementation of the previous Government's Rwanda Bill causing many survivors to choose to opt out of support for fear of deportation, the riots and civil unrest through the summer months where we were forced to respond in earnest to protect our staff and service users alike and a change in government that brought with it a new approach by the Home Office to managing the backlog within the decision making process around the NRM.

All these external factors have affected the referral mechanism and its function from different perspectives and in the case of the civil unrest left those in our care feeling increasingly vulnerable and fearing for their safety.

Our response to weathering these external storms was to remain steadfast in our commitment to both supporting those who have experienced exploitation and Modern Slavery but also in our commitment to raising awareness and educating the public as much as we can to the realities of this abhorrent crime and the significant impact conflation with the asylum agenda has caused to survivor outcomes.

Crime Reduction Services

Our work in this area has continued to incrementally achieve excellent outcomes and we were proud moving into financial year 2024/25 to be delivering on four contracts across both South Yorkshire and the North West with further interest in our work in this space continually developing.

Unfortunately, uncertainty around Policing budgets in the North West led to the pause of Merseyside Deferred Prosecution Scheme and the cease of the Immediate Justice Pilot in the October of 2024. This was incredibly sad for us to both lose the staff associated with these programmes but also the opportunity to achieve the change we were seeing with the participants concerned who had benefited from their delivery.

We are proud to report that over the lifetime of MDPS over 600 individuals engaged with the scheme fully out of 1,056 referrals and engagement increased year on year through delivery. Re-offending rates for those who did engage were consistently lower than those who disengaged after referral.

Throughout 2024/25 we supported a total of 1,338 service users across all the live programmes and were also able to influence further innovation and development through the submission of 2 business cases to commissioners relevant to the improvement and enhancement of service delivery, ensuring best value for money for the commissioner and desired outcomes for service users. Both business cases were approved, and outcomes subsequently improved in regard to breadth of support across custody and the completion of goals for service users.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Impact of the external environment

The change in government brought with it significant financial impact for the charity sector including ourselves. The Chancellors decision in the Autumn to increase Employers National Insurance contributions and the uncertainty the budget shared placed on public sector commissioning budgets, led to us not only losing two of our Crime Reduction contracts representing significant income to us but also facing a significant increase in our core overheads that could not be contained.

Due to these financial impacts, we were forced to review the scale of our workforce and our overhead expenditure and put in place an efficiencies programme to address the resultant deficit.

This not only meant job losses but also a need to rethink the planned Strategic plan objectives and a rescope of what could be achieved and what should be the focus of the forthcoming three-year period.

Achievements and performance

2024/25 saw Causeway achieve some key milestones and face some significant challenges.

Throughout the year we have continued to strive to ensure our Service Users come first and receive the best possible support and care that we can provide.

We have worked closely with the Executive team to build stability into the organisation through what was a transition year, through developing and setting our new three-year Strategic Plan, embedding SharePoint and new financial software to support our core to operate as efficiently as possible and working to strengthen our Board incrementally through skills audit assessments and considered recruitment process.

We launched and delivered several exciting digital projects including a refresh of our website, the launch of our online help and advice hub and its supporting Modern Slavery Risk Checker and our online ordering system for Life Supply creating equity and dignity of choice for survivors accessing our material assistance support programme.

We critically continued to maintain and strengthen our cross-sector partnerships to enable more development opportunities and in turn better outcomes for survivors.

Financial review

The Trustees make strategic decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them. They do not however carry out the routine day to day management of the charity, for which the responsibility is delegated to the CEO, Senior Leadership team and wider operational department managers.

Causeway received £8,963,687 (2024: £9,629,929) of income during the financial year to 31 March 2025 and expended £9,524,165 (2024: £9,761,143), showing a planned deficit of £560,478 (2024: £131,214). The principal sources of funds are disclosed in notes 3-4 to the accounts.

At 31 March 2025 the charity's reserves were at £2,612,912 (2024: £3,173,390), of which £2,595,012 (2024: £3,173,390) were unrestricted. The charity's freely available unrestricted reserves at 31 March 2025 were £2,312,797 (2024: £2,863,010). In line with good practice and our policy, Causeway seeks to hold between three and six months of current operating costs in reserve for unforeseen circumstances to enable the charity to continue to operate in such circumstances. This is to ensure the sustainability of our vital services to the vulnerable is maintained without disruption.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Looking ahead

We emerged from 2024/25 a slightly smaller organisation with a refreshed plan. We remain cautious about the future as our main contractual income comes up for renewal in the coming year.

Our evolution, approach to innovation and progress will be slightly slower and more incremental than anticipated but we intend to prioritise building resilience into our core through the coming year and aim to secure a level of security through contract renewal that will support us to then implement the more aspirational projects we would like to take forward in the future.

We will welcome a new Chair to our Board in 2025/26, and we will seek to ensure that the Board continues to collaborate and support the Executive team in the strongest way possible, to strive for the best possible outcomes for our survivors in the long term.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

Causeway Charitable Services is a registered charity (number 1110314) and a limited company (number 5396512). All Trustees are also Directors for the purposes of Company law, and are members of the company and guarantee to contribute £1 in the event of a winding up. There are at least three Managing Trustees at any one time. New Trustees are recruited via a thorough process, involving advertising via an external advertising platform, with interviews and due diligence being carried out in line with our Trustee On-boarding procedure. Once recruited Trustees undergo a structured induction process. The Chair of Trustees maintains close contact with the CEO to whom the day-to-day operational management is delegated. The Charity is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

F R Smith	(Resigned 31 December 2024)
J M A Oswald	(Resigned 30 June 2025)
M M Hamid	
M Lally	
S Baugh	
D Gore	
G A Cheshire	
E J Aitkenhead	
J P Waters	
R M Smith	(Appointed 12 April 2024 and resigned 20 March 2025)
F Dwyer	(Appointed 5 June 2025)
K Jones-Kensah	(Appointed 5 September 2025)

Key Management Personnel:

Helen Ball (Chief Executive Officer)
Amy Bond (Chief Operating Officer)
Deepa Mistry (Chief Finance Officer)

The Charity operates a Management board consisting of Heads of Finance, Operations, Services, People & Culture, Assurance, Business Development & Fundraising, Communications & Engagement.

Recruitment and appointment of trustees

The organisation seeks to ensure that there is diversity of experience and expertise among the Trustees. During the financial year, the Charity carried out a skills audit of its member Trustees to inform future recruitment in the coming financial year and established an effective Remuneration and Nominations Committee to oversee appointments to the Board.

A key element of the Board's development is the inclusion of lived experience voice. This is essential if we are to ensure the voices of the people we support are at the heart of decision making and is an area we intend to nurture and grow over time.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Trustee Induction and Training

Prospective Trustees become familiar with the practical work of the charity through their presence at meetings and visits to our services and offices. All Trustees are also encouraged to attend an annual away day. A variety of documents and training opportunities exist for Trustees when they are inducted, and all Trustees are provided with a set of Causeway's key Policies and Procedures.

Organisational structure

The Trustees meet on a regular quarterly basis and more often when required. Meetings are held online and in person to a pre agreed schedule.

At each meeting Trustees are provided with reports from the CEO and their leadership team that enable them to track the strategic progress of the organisation, monitor financial health and key risks and remain up to date on the day-to-day operations of the charity.

A Remuneration and Nominations Committee meets bi-annually to support the review of pay and remuneration for employees and oversee appointments and nominations to the Board.

None of the Trustees have any beneficial interest in the Company.

Internal control- Managing risk

The Trustees review and approve the Charity's risk management procedures each year.

They create a Strategic Risk Register each year alongside the CEO to determine the major risks to which the Charity is exposed, the potential impact if an individual risk materialises, and what mitigating actions are in place, or need to be put in place, in order to reduce each risk to a level which the Trustees consider to be acceptable.

The Trustees have assessed the major risks to which the Charity is exposed throughout this financial year and are satisfied that systems are in place to mitigate exposure to the major risks.

The principal specific risk to which the charity is currently exposed is financial, due to potential loss or reduction in its contractual services.

The salary of senior staff and other employees is set by the Board of Trustees before the new financial year following an annual pay review process overseen by the Remunerations and Nominations Committee.

The Trustees apply three criteria in deciding levels of pay:

- The impact of each post on the Charity's stated objectives
- The external jobs market and the level of pay needed to attract and retain employees with the required skills.
- The financial resources and financial sustainability of the Charity

The salary of key managers and other staff is set by the Board of Trustees before the new financial year. The Trustees apply three criteria in deciding the level of pay:

- The impact of each post on the Charity's stated objectives
 - The external jobs market and the level of pay needed to attract managers with the required skills
 - The financial resources and financial sustainability of the Charity
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CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.


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F Dwyer

Chair of Trustees

Dated: 08/12/2025.....

CAUSEWAY CHARITABLE SERVICES

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Causeway Charitable Services for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

In preparing these accounts, 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES

Opinion

We have audited the financial statements of Causeway Charitable Services (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES CONTINUED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES CONTINUED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Mealing (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

27 November 2025

Chartered Accountants
Statutory Auditor

CAUSEWAY CHARITABLE SERVICES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £
<u>Income from:</u>					
Grants and donations	3	125,456	92,381	217,837	301,581
Charitable activities	4	8,724,059	-	8,724,059	9,298,198
Other trading activities	5	-	-	-	500
Investments	6	21,791	-	21,791	29,650
Total income		<u>8,871,306</u>	<u>92,381</u>	<u>8,963,687</u>	<u>9,629,929</u>
<u>Expenditure on:</u>					
Raising funds	7	<u>135,903</u>	<u>-</u>	<u>135,903</u>	<u>161,859</u>
Charitable activities	8	<u>9,317,830</u>	<u>70,432</u>	<u>9,388,262</u>	<u>9,599,284</u>
Total resources expended		<u>9,453,733</u>	<u>70,432</u>	<u>9,524,165</u>	<u>9,761,143</u>
Net (outgoing)/incoming resources before transfers		(582,427)	21,949	(560,478)	(131,214)
Net (outgoing)/incoming resources before transfers		(582,427)	21,949	(560,478)	(131,214)
Gross transfers between funds		<u>4,049</u>	<u>(4,049)</u>	<u>-</u>	<u>-</u>
Net (expenditure)/income for the year/ Net movement in funds		(578,378)	17,900	(560,478)	(131,214)
Fund balances at 1 April 2024		<u>3,173,390</u>	<u>-</u>	<u>3,173,390</u>	<u>3,304,604</u>
Fund balances at 31 March 2025		<u><u>2,595,012</u></u>	<u><u>17,900</u></u>	<u><u>2,612,912</u></u>	<u><u>3,173,390</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAUSEWAY CHARITABLE SERVICES

BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	15		405,067		440,978
Current assets					
Stocks	16	53,240		200,461	
Debtors	17	990,636		1,809,932	
Investments	18	497,710		627,018	
Cash at bank and in hand		1,094,672		493,829	
		<u>2,636,258</u>		<u>3,131,240</u>	
Creditors: amounts falling due within one year	19	<u>(305,561)</u>		<u>(268,230)</u>	
Net current assets			2,330,697		2,863,010
Total assets less current liabilities			2,735,764		3,303,988
Creditors: amounts falling due after more than one year	20		(122,852)		(130,598)
Net assets			<u>2,612,912</u>		<u>3,173,390</u>
Income funds					
Restricted funds	23		17,900		-
Unrestricted funds			2,595,012		3,173,390
			<u>2,612,912</u>		<u>3,173,390</u>

The financial statements were approved by the board of directors and authorised for issue on 27 November 2025 and are signed on its behalf by:

F Dwyer
Trustee

Company Registration No. 5396512

CAUSEWAY CHARITABLE SERVICES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	Notes	£	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	28	463,518	(276,391)
Investing activities			
Purchase of tangible fixed assets		(11,715)	(68,587)
Movement on fixed term bonds		129,308	(627,018)
Investment income received		26,991	24,450
Net cash generated from/(used in) investing activities		144,584	(671,155)
Financing activities			
Repayment of bank loans		(7,259)	(10,037)
Net cash used in financing activities		(7,259)	(10,037)
Net increase/(decrease) in cash and cash equivalents		600,843	(957,583)
Cash and cash equivalents at beginning of year		493,829	1,451,412
Cash and cash equivalents at end of year		1,094,672	493,829

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Company information

Causeway Charitable Services is a private company limited by guarantee incorporated in England and Wales. The registered office is 3rd Floor, 32 Eyre Street, Sheffield, S1 4QZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future whilst recognising the issues raised in respect of going concern. For the year ended 31 March 2025 the charity's net expenditure was £560,478 with the charity having net assets at 31 March 2025 of £2,612,912.

The two properties currently owned by the charity are in the process of being sold with the expectation that this will reduce the pressures of maintaining and financing these properties, whilst also providing a cash injection into the charity.

The charity's main contract which was due to finish at the end of June 2025 has now been extended to January 2027 and is currently under bidding process for the primary provider to the Home Office. There is an expectation for the bidding process to be completed by March 2026 with the anticipated mobilisation of the new contract to start in the summer of 2026.

The trustees are confident that the charity can continue as a going concern both throughout the next twelve months and the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of income from donations in kind is based on the estimated value of the goods donated. Income is recognised once the stock has been distributed to service users.

The value of services provided by volunteers has not been included.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold property improvements	33% Straight line
Fixtures, fittings & equipment	20% Straight line/33% Straight line
Motor vehicles	10% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at estimated cost. Stocks arise from donations in kind which have been received and not distributed to service users by the year end. As donated, when no price is provided an equivalent price for the goods is obtained by researching similar items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Grants and donations

	Unrestricted funds	Restricted funds	Unrestricted funds
	2025 £	2025 £	2024 £
Donations and gifts	92,996	-	244,616
Grants receivable	32,460	92,381	56,965
	<u>125,456</u>	<u>92,381</u>	<u>301,581</u>

Donated goods and services

The donations and gifts balance of £92,996 (2024 £244,616) includes donations in kind with a fair value of £51,743 (2024 £165,663) that were received by the charity. During the year the charity distributed goods with a fair value of £196,464 (2024 £141,705), leaving a stock balance at 31 March 2025 of £53,240 (2024 £200,461) as shown in note 16.

4 Charitable activities

	2025 £	2024 £
Services provided under contract and other charitable activities	<u>8,724,059</u>	<u>9,298,198</u>

5 Other trading activities

	2025 £	2024 £
Fundraising events	<u>-</u>	<u>500</u>

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Investments

	2025 £	2024 £
Interest receivable	21,791	29,650

7 Raising funds

	2025 £	2024 £
<u>Fundraising and publicity</u>		
Advertising	8,614	67,740
Staff costs	127,289	94,119
Fundraising and publicity	135,903	161,859
	135,903	161,859

£941 of the £8,614 expenditure on advertising relates to fundraising expenses.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Charitable activities

	2025 £	2024 £
Staff costs	5,333,349	4,871,404
Depreciation	47,626	51,543
Repairs and maintenance	103,517	153,996
Telephone	52,398	59,094
Training costs	52,809	79,948
Motor and travel expenses	201,149	220,469
Rent, charges and accommodation	854,498	1,054,627
Distributions of donations in kind	196,464	141,705
Insurance	38,290	32,998
Legal and professional fees	309,921	343,898
Bank interest and charges	17,408	10,432
Sundry expenses	88,616	112,807
Light and heat	151,665	143,426
Rates	54,606	48,680
Food and drink	-	33,835
Activities and outings	10,362	15,810
Printing, postage and stationery	18,723	18,616
IT expenses	235,203	261,038
Cleaning	43,777	57,680
Licences and subscriptions	27,066	38,909
Allowances	1,486,640	1,837,193
Glasspool project expenses	58,351	-
Loss on disposal of fixed assets	-	1,159
	<u>9,382,438</u>	<u>9,589,267</u>
Grant funding of activities (see note 9)	-	5,337
Share of governance costs (see note 10)	5,824	4,680
	<u>9,388,262</u>	<u>9,599,284</u>
Analysis by fund		
Unrestricted funds	9,317,830	9,599,284
Restricted funds	70,432	-
	<u>9,388,262</u>	<u>9,599,284</u>

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Grants payable

	2025 £	2024 £
Grants to institutions:		
Other	-	5,337
	<u>-</u>	<u>5,337</u>
	<u>-</u>	<u>5,337</u>

10 Support costs

	Support costs £	Governance costs £	2025 £	Support costs £	Governance costs £	2024 £
Audit fees	-	5,824	5,824	-	4,680	4,680
	<u>-</u>	<u>5,824</u>	<u>5,824</u>	<u>-</u>	<u>4,680</u>	<u>4,680</u>
	<u>-</u>	<u>5,824</u>	<u>5,824</u>	<u>-</u>	<u>4,680</u>	<u>4,680</u>
Analysed between						
Charitable activities	-	5,824	5,824	-	4,680	4,680
	<u>-</u>	<u>5,824</u>	<u>5,824</u>	<u>-</u>	<u>4,680</u>	<u>4,680</u>

Governance costs includes payments to the auditors of £5,824 (2024: £4,680) for audit fees. Other costs includes payments to the auditors of £4,856 (2024: £4,320) for other services.

11 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,824	4,680
Depreciation of owned tangible fixed assets	47,626	51,542
	<u>53,450</u>	<u>56,222</u>

12 Trustees

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charity during the year.

The aggregate amount of expenses reimbursed to 5 trustees (2024: 1) in respect of business travel and out of pocket expenses amounted to £614 (2024: £22).

The charity's Memorandum and Articles of Association expressly permits trustees to be remunerated provided certain conditions are met.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Employees	171	164
Trustees	10	9
	<u>181</u>	<u>173</u>

Employment costs

	2025 £	2024 £
Wages and salaries	4,865,497	4,439,932
Social security costs	466,032	412,473
Other pension costs	129,109	113,118
	<u>5,460,638</u>	<u>4,965,523</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2025 Number	2024 Number
£60,001-£70,000	<u>3</u>	<u>2</u>

14 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets

	Land and buildings	Leasehold property improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2024	398,251	1,376	245,434	35,000	680,061
Additions	-	-	11,715	-	11,715
At 31 March 2025	398,251	1,376	257,149	35,000	691,776
Depreciation and impairment					
At 1 April 2024	54,514	1,199	181,625	1,745	239,083
Depreciation charged in the year	8,499	177	35,445	3,505	47,626
At 31 March 2025	63,013	1,376	217,070	5,250	286,709
Carrying amount					
At 31 March 2025	335,238	-	40,079	29,750	405,067
At 31 March 2024	343,737	177	63,809	33,255	440,978

The charity's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2025 amounting to 39% (2024: 40%) of their net book value.

16 Stocks

	2025 £	2024 £
Donated goods received for distribution to service users	53,240	200,461

17 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	57,810	1,670,030
Other debtors	1,470	5,200
Prepayments and accrued income	931,356	134,702
	990,636	1,809,932

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Current asset investments

	2025 £	2024 £
Fixed term bonds	497,710	627,018

19 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	21	7,764	7,277
Other taxation and social security		102,627	101,506
Trade creditors		22,204	75,492
Other creditors		17,304	22,847
Accruals and deferred income		155,662	61,108
		305,561	268,230

20 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	21	122,852	130,598

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21 Loans and overdrafts

	2025 £	2024 £
Bank loans	130,616	137,875
	<u> </u>	<u> </u>
Payable within one year	7,764	7,277
Payable after one year	122,852	130,598
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	96,275	105,463
	<u> </u>	<u> </u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

22 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	129,109	113,118
	<u> </u>	<u> </u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Flexible Frontline Fund	-	58,500	(58,352)	-	148
LifeLine	-	2,500	-	(2,500)	-
LifeLink	-	19,358	(1,606)	-	17,752
LifeSupply	-	10,000	(10,000)	-	-
Other	-	2,023	(474)	(1,549)	-
	-	92,381	(70,432)	(4,049)	17,900

The Flexible Frontline Fund is fully funded by Glasspool Trust, and is a project where Causeway Charitable Services will work alongside Glasspool Trust as a grant delivery partner to alleviate financial hardship.

LifeLine, LifeLink and LifeSupply are all support projects run by Causeway Charitable Services for survivors of modern slavery.

Other small restricted grants were received from Together Housing Association, PCC Devon & Cornwall, Hospital Saturday Fund and Greater Manchester Combined Authority in relation to small expenses for Anti-slavery engagement events.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
General funds	3,173,390	8,871,306	(9,453,733)	4,049	2,595,012

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

24 Unrestricted funds (Continued)

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	3,304,604	9,629,929	(9,761,143)	-	3,173,390

25 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £
Fund balances at 31 March 2025 are represented by:				
Tangible assets	405,067	-	405,067	440,978
Current assets/(liabilities)	2,312,797	17,900	2,330,697	2,863,010
Long term liabilities	(122,852)	-	(122,852)	(130,598)
	2,595,012	17,900	2,612,912	3,173,390

26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	659,991	678,354
Between two and five years	498,257	213,474
	1,158,248	891,828

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	233,631	243,806

The key management personnel of the charity includes the trustees and the senior leadership team, comprising of the Chief Executive Officer, the Chief Operations Officer and the Chief Finance Officer.

None of the trustees received any remuneration or benefits during the period.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

There were no other related party transactions to disclose.

28 Cash generated from operations

	2025 £	2024 £
Deficit for the year	(560,478)	(131,214)
Adjustments for:		
Investment income recognised in statement of financial activities	(21,791)	(29,650)
(Gain)/loss on disposal of tangible fixed assets	-	1,159
Depreciation and impairment of tangible fixed assets	47,626	51,543
Movements in working capital:		
Decrease/(increase) in stocks	147,221	(23,959)
Decrease/(increase) in debtors	814,096	(245,840)
Increase in creditors	36,844	101,570
Cash generated from/(absorbed by) operations	463,518	(276,391)

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

29 Analysis of changes in net funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	493,829	600,843	1,094,672
Loans falling due within one year	(7,277)	(487)	(7,764)
Loans falling due after more than one year	(130,598)	7,746	(122,852)
	<u>355,954</u>	<u>608,102</u>	<u>964,056</u>

Accounts

CHARITY REGISTRATION NUMBER 1110314

COMPANY REGISTRATION NUMBER 5396512

CAUSEWAY CHARITABLE SERVICES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

CAUSEWAY CHARITABLE SERVICES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	F R Smith	
	J M A Oswald	
	M M Hamid	
	M Lally	(Appointed 28 August 2023)
	S Baugh	(Appointed 28 August 2023)
	D Gore	(Appointed 28 August 2023)
	G A Cheshire	(Appointed 2 October 2023)
	E J Aitkenhead	(Appointed 13 February 2024)
	J P Waters	(Appointed 15 January 2024)
	R M Smith	(Appointed 12 April 2024)
Secretary	R Bird	
Chief executive officer	H Ball	
Charity number	1110314	
Company number	5396512	
Principal address	3rd Floor 32 Eyre Street Sheffield S1 4QZ	
Registered office	3rd Floor 32 Eyre Street Sheffield S1 4QZ	
Auditors	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
Bankers	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV	
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN	

CAUSEWAY CHARITABLE SERVICES

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CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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

Purpose

To free marginalised and vulnerable people to find their voice, in a society that values their place.

Values

We respect the person

It starts with believing in people, seeing beyond their circumstances, being a champion for consistent support, and always being honest. We do what we say we will do, acting within boundaries as we respect people's identities, voices and personal choices. Because for us, there is no mutual respect without self-respect.

We do things right

We never let being professional get in the way of our compassion. So our approach is transparent, well-informed, and yet always personal. We take responsibility for our actions and are accountable to our high standards as well as those of others. This means that we can be relied upon to deliver excellence, and to go above and beyond what's required, to do what's really needed.

We create change

Diverse and open-minded, we always look for new, better ways to help and create the change we want to see in society. We're approachable and welcome feedback, strengthening relationships as we consider people's many perspectives. And we don't wait for change but go towards it to respond to needs.

We come through together

United in our purpose, we overcome obstacles and stride towards positive outcomes. Our resilience gives us confidence to adapt and persist. We don't give up on people, each other, or on our shared goals, and progress together.

Strategic Objectives

In order to deliver on our vision to ensure a thriving future for marginalised and vulnerable people, particularly individuals caught in the cycle of crime and exploitation, we are working on our long term strategy. Our objectives are:

1. Delivering excellence, pioneering new ideas for lasting change, and partnering for influence and greater visible impact.
2. Working to prevent, support and protect people from the cycle of crime and exploitation.
3. Empowering our service users' voices alongside our own for a fairer society.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

To deliver on our objectives, the Charity will:

Voice

- We will help survivors and service users find their voice in society and ensure it is listened to, recognised, and their contribution valued.
- We will take survivors and service users' insights, alongside our expert network of partners, supporters and practitioners, into the heart of decision-making.
- We seek to establish authority as a credible go-to expert and organisation with the highest standards on the prevention, support and protection of marginalised and vulnerable people in the UK.

Impact and measurement

- We will measure our impact and improve our services by using data and an insight-led approach to our decision making

Innovation

- We will innovate, further develop, and collaborate with other frontline organisations and partners to enable and expand our services where there is a recognised need.

Sharing and working with others

- We will tackle the skills gap experienced by marginalised and vulnerable people, by sharing knowledge, good practice and expertise, and working in partnership with others.
- We will work with all relevant government officials and authorities, such as the UK anti-slavery commissioner, to play a role in the prevention, support and protection of marginalised and vulnerable people.
- We will liaise effectively, and influence positive outcomes in the work of local and regional public sector agencies who we may share responsibilities with for marginalised and vulnerable people, e.g. the police, the NHS and GP surgeries, the probation service, etc.

Influence

- We will seek to raise awareness of the risks associated with falling back into the cycle of crime and exploitation, and find opportunities to strengthen prevention, support and protection services around these issues. We will do this by commissioning in-depth research that highlights the voices and stories of those we support, and demand greater transparency on data concerning marginalised and vulnerable people.
- We will invest in campaigns, and advocate tirelessly for the prevention of exploitation, and support of survivors to be at the centre of all strategic thinking around modern slavery. We will also seek to increase understanding around the potential positive contributions from people who have been supported to break free of the cycle of crime.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Welcome from the Chair of Trustees

I always speak about how proud I am of the staff at Causeway and their commitment to making a real difference to our Service Users and change across the organisation.

They work hard to improve the lives of the people we care for, many of whom have experienced horrendous abuse and marginalisation, our staff have supported individuals and families through trauma and pain on a daily basis.

Being a national charity existing to create lasting change for the vulnerable, means helping survivors of modern slavery and those caught in cycles of exploitation and crime.

Modern Slavery Support

Causeway support survivors of exploitation who have been referred into the National Referral Mechanism. This government system helps those who are believed to be victims of exploitation and trafficking, and this can include forced labour/sex work/criminality, debt bondage and domestic servitude.

As experts in the field of survivor recovery, we have supported almost 1,000 service users in the year ending 31st March 2024, through our Accommodation and Outreach services across the regions, and includes 543 new referrals. This involves running 15 safe houses for men, women and their families with a capacity of 111 people, who have escaped modern slavery. Our trauma-informed approach ensures that survivors receive the comprehensive care they need to rebuild their lives. Our Outreach services supports those living in the community and need support accessing services such as health care, housing and legal advice, education and employment opportunities.

Through our Research services we have advanced understanding and learning about survivors experiences, and worked with multi agency partners to elevate the cause and parallel campaigns to complement this. The Hidden Men of Modern Slavery campaign for International Men's Day in November 2023

https://www.youtube.com/watch?v=D-v1-t3H_VF&t=218s helped to highlight the misconception that males are not victims of modern slavery, and recognises them as 75% of victims of modern slavery in the UK.

Crime Reduction Services

Our crime reduction services have seen an investment this year, with over 3,600 individuals benefiting from our programs. These services often intersect with our work in modern slavery, as many survivors of human trafficking encounter the criminal justice system due to their exploitation. This can include forced begging, theft, drug dealing, cannabis cultivation and financial exploitation. By providing targeted support, we help these individuals navigate their legal challenges and begin their journey toward recovery. In addition to our current programmes Plan B and MDPS; we expanded our trauma informed support through new contracts in Merseyside: Immediate Justice and ReFocus.

Immediate Justice focuses on reducing anti-social behaviour and building community cohesion. Our restorative justice practitioners work with people involved in low-level criminal behaviour and work towards making reparations in the community. The programme addresses factors behind their behaviour, such as trauma and personal history to prevent this from becoming a recurring pattern.

ReFocus is an early intervention domestic abuse service designed to tackle those at risk of committing domestic abuse, and providing support to both parties. Participants take part in a domestic abuse awareness course specifically designed to help them understand how domestic abuse presents. One-to-one support is also provided to address the unique challenges faced.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Breaking Cycles: Building Lives <https://www.youtube.com/watch?v=kXYh43IId3SY> was a campaign in February 2024 that shines a spotlight on the real-life stories of people who have broken free from the cycle of crime that was holding them back from living their lives. Through film, animation and personal accounts, this campaign brings to life these often-unheard stories, and helps us explore with compassion the link between trauma and criminality, and challenge pre-conceived ideas of those involved in the criminal justice system.

Transitional year

With 2023-24 being a transitional year for the charity due to the change in Board and Senior Leadership over the previous twelve months, we have focussed on the building blocks and beginning our next phase of development. This year Causeway increased focus on further development of our work in Crime Reduction services, the review of core systems and procedures to enable us to strengthen our financial resilience, diversify our workforce to more accurately reflect the diversity of our service users and the society we operate within, and a focus on raising awareness and driving change through amplifying the voices of our service users and ourselves, investing in research and developing strategic partnerships as we advocate for a fairer and more understanding society.

Environment

Between April 2023 and March 2024, the UK faced significant economic and social challenges that impacted our work. Rising living costs, increased social disparities and pressure on public services have directly impacted multi agency working. We have implemented measures to efficiently use our limited resources, address specific needs of different communities, and utilise our research capabilities to allow stakeholders to understand the environment we operate in.

Thank you
Jennie Oswald
Chair of Trustees

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Our Impact and Influence

OUR MODERN SLAVERY SUPPORT SERVICES

ACCESS

Our modern slavery services support survivors of exploitation who have been referred into the NRM (National Referral Mechanism). The NRM is the government support system for people believed to be victims of exploitation and trafficking. This can include forced labour, forced sex work, forced criminality, debt bondage, and domestic servitude. We are subcontractors of the Modern Slavery Victim Care Contract (MSVCC), of which The Salvation Army is the prime contract holder.

As one of the largest providers of adult modern slavery support in the UK, Causeway are experts in the field of survivor recovery and can support up to one thousand people across our NRM and post NRM departments at any one time.

Our accommodation team run 15 safe houses for male and female survivors, as well as family safe houses for people who arrive with children. At capacity we can accommodate 111 people who are each given their own room and assigned an advocate to help them meet their initial needs. 1,000 survivors in the community, as well as their dependants.

Our outreach team supports survivors of exploitation who are living in the community, and who need support in accessing services such as health care, housing and legal advice, and education or employment opportunities.

“Causeway has helped me a lot. When I ran away from my traffickers I was so depressed, it was not easy for me, but in the safe house I met other ladies from my country and we shared our experiences.” – Causeway Service User

“Causeway helped and supported me for more than three years. In my hardest moments they were there for me.” – Causeway service user

Jim's* Story

Jim's exploitation began when he was introduced to a father and son through a friend. He had seen them around but didn't know much about them. “They knew I was really interested in cars,” he said. They offered me a car and said all I needed to do was pay them £50 per week. The car was worth around £3,500, I had never been able to afford anything like this in my life so I jumped straight in”. Jim began using his weekly wages to pay the £50 debt.

“Suddenly the payment was £100 a week, he said. Then it got upped again. I couldn't afford it by this point, which I told them, but they said ‘you owe us this’. They gave me a bag and told me to take it to a certain location. I didn't look in the bag but I had an idea of what was in there. By this point I had realised they were dangerous, so I did as they told me as I wanted to avoid trouble. After I had delivered it, the bag went missing”.

“They then told me the bag had contained over £20,000 worth of cannabis and cocaine. They said I now owed them this and the car money!” The gang said they wanted £500 a week from Jim, forcing him to deal cannabis and cocaine. The ‘debt’ continued to spiral out of control, to the point where Jim was told he now owed £7,500 per week. He was working 16 hours a day for them, dealing drugs.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

During this time, Jim estimated that he had given the gang around £70,000, but they still said he owed them money. Packages the gang gave him were 'stolen' three times- a strategy used by the gang to keep Jim in debt.

"Each time this happened, they said I now owed them more money, so I would carry on working for them in fear".

When Jim's partner fell pregnant, he realised he couldn't go on living like this. The gang threatened to kill Jim and hurt his family. It was the final straw, and he went to the police, who referred him into the NRM (National Referral Mechanism- Government's support system for survivors of Modern Slavery).

Jim and his family were supported in a Causeway safe house for four months. "I started to believe we had a fresh start," he said. "I felt my partner was supported too".

"I can't thank my caseworker enough for everything he's done for me. If I'm having a bad day he listens, that's the best thing for me. I know he does everything to support me, and it's because he cares, he cares about his job and about me. He listens and advises any way he can, he is always there, no matter what it is. The best thing I ever did was come into the NRM, I couldn't have done this on my own".

With the support of his caseworker, Jim has since found employment.

"My caseworker took me to my interview. If it wasn't for him, I wouldn't have gone that day because of my anxiety. I really enjoy my job, it's tiring but I wouldn't change it. The people I work with are all brilliant. I'm not completely there, but I feel like I am finally learning to be me, learning who I am. My life is now positive, I am happy to wake up every single day. I couldn't have predicted how my life would change."

"My Causeway caseworker completely changed my view on everything," said Jim. "I started seeing the positive in."

*names have been changed to protect anonymity

LIFELINE

LifeLine was the first support programme of its kind for survivors of modern slavery and was developed by Causeway to address the needs of survivors who have come to the end of their government funded support, but who still need the safety net of having someone to turn to for advice. LifeLine supports survivors with regular phone calls and drop-in sessions. Support is continuously adapted to meet the needs of survivors and ensure that issues do not escalate over time.

Over the last year, Causeway has supported 100 survivors every month and met over 2,000 personal needs including, accessing housing services, legal advice and food bank referrals.

The service also supported the finding of 68 missing service users by filing reports to the police. Without this specialist support we would see many people left isolated and vulnerable, teetering at a cliff edge, and in real danger of being re trafficked or forced back into a life of exploitation.

"Causeway has made a big difference in my life because without them I would never have felt confident and safe. They supported me emotionally, and they helped me move forward, step by step, and believe in myself again." – Causeway Service User

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

LIFELINK

Causeway currently operates four LifeLink hubs in Liverpool, Manchester, South Yorkshire and the North East. Feeling comfortable in, and connected to a community, is crucial for survivors of modern slavery to remain resilient and to prevent re-exploitation. LifeLink addresses this, and other pressing needs, during the vital period when survivors are adapting to their newly regained freedom.

It provides a safe space from which to regain of control over their lives, help them see outside of their current situations and look towards the future. By providing structured activities, along with specially programmed trips to key community locations such as museums and libraries, we ensure that survivors improve their confidence, skills and English language whilst increasing their access to vital services, reducing their exclusion and avoiding re-trafficking.

"LifeLink hubs were so nice. There was food, and I laughed there a lot. They did a couple of education programmes there and asked us about our skills. It was like a new life. It was a good time." – Causeway service user

INGREDIENTS FOR LIFE

This is a scheme developed by Causeway in partnership with Asda. It is an interactive cookery course led by professional chefs in innovations kitchens around the country. Modern slavery survivors (including those supported by other organisations) are invited to take part in the course where they learn new skills, meet new people, and grow in confidence and self-esteem

All participants this year have indicated a positive uplift in motivation in their day-to-day lives and feel positive about the future, and their enjoyment of everyday life.

I would say that Ingredients for Life had various colours and we were prisms. The result of this spectrum gave me trust, self-confidence, self-reliance, courage, being decisive, independence, knowledge and above all belief. Belief in me." – Causeway Service User

When I started Ingredients for Life I was struggling with going outside the house, but the course motivated me to get outside the house and travel to another city on the train. This course helped with my fear and slowly made me confident that I can do this and it's not as scary to be outside as it was in my head." – Causeway Service User

LIFESUPPLY

In 2024 financial year so far we have distributed over 4,000 items to over 300 service users including bedding, devices, sim cards and clothing. These items added to a total value of £ 116,580.01 which has made an amazing difference in service users' financial situation.

BRIGHT FUTURE CO-OP

This is an initiative originally developed by Causeway, but which is now an independent co-operative that aims to fast-track survivors of modern slavery into high quality employment.

The Bright Future process allows candidates to by-pass hurdles such as applications and interviews which can act as barriers for them gaining employment and reaching independence. Candidates access roles in a supportive environment without needing to share their history of exploitation. Causeway are contracted to run the National Matching System (NMS), to maximise the impact of the programme by providing support and training to members.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Bright Future Co-operative is working with 13 Businesses, including Currys, Morrisons and Coop Group, and 23 charities and has represented Causeway at national and international events. Almost 90 survivors have accessed safe employment as a result of the programme.

"From going from a job where I felt like I was grafting nonstop but earning nothing, to this, where I was happy working, and earning money. It was overwhelming. It was just awesome to go to work! A few years ago I was close to taking my own life, but it's like my life's got meaning now. The opportunities are there, and I'm going to take them. A better life isn't a dream anymore, it's a reality" – Bright Future Participant

COALITION TO STOP SLAVERY

Causeway is an active member of a coalition of around 20 modern slavery organisations across the UK who work together to campaign for better awareness of human trafficking. 2024 saw the Coalition come together to host a roundtable event in Lincoln's Inn, London, to discuss the issue of poor sentencing of modern slavery and human trafficking perpetrators. The event was very successful, and was attended by numerous people from the modern slavery, and law and justice sectors. A report will be created that highlights the issues raised, as well as ideas and policies that were recommended off the back of the event.

GREATER MANCHESTER ANTI-TRAFFICKING AND SLAVERY NGO

Causeway continues to successfully coordinate The Greater Manchester Anti-Trafficking and Slavery NGO Forum as part of Programme Challenger. The group formed in response to Greater Manchester Police's desire to collaborate with local modern slavery organisations, build on relationships, and share best practice in the areas of modern slavery and trafficking identification and support. As part of Anti-Slavery Month in October, Causeway joined members of Programme Challenger to host a number of successful events, including a professional networking session, a public facing panel discussion and networking event, and an awareness raising event around spotting the signs of modern slavery, in Manchester City Centre.

RESEARCH

Causeway has joined up with the University of Nottingham for new research which aims to understand how the best maternity care and support can be provided to survivor mothers and their babies. Around three in every ten women survivors of modern slavery are pregnant while being trafficked. The National Institute for Health and Care Research and the Salvation Army have funded the research to find ways to ensure survivor mothers, like all childbearing women, receive care that is respectful, safe and appropriate to their situation. The project has been developed jointly by maternity, mental health and modern slavery researchers at the University of Nottingham's School of Health Sciences and Rights Lab, survivor mothers and Causeway.

Causeway are proud to have taken part in a pioneering research project that investigated the use of Ethical AI in improving the recovery journey for survivors of modern slavery.

With our partners, Modern Slavery and Human Rights Policy and Evidence Centre, Aberystwyth University, FiftyEight, and Trilateral Research, Causeway took part in Project RESTART, which saw tens of thousands of historical case notes from survivors of modern slavery combed for data, alongside an app used by survivors of modern slavery to record their feelings and needs in real time.

<https://www.wearecauseway.org.uk/modern-slavery/artificial-intelligence-could-improve-recovery-journey-for-modern-slavery-survi>

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

OUR CRIME REDUCTION SERVICES

Causeway's four crime reduction services provide crime and violence reduction programmes for those committed to breaking their cycle of criminality. Our trauma-informed approach to supporting those who commit crime has proved successful in reducing rates of reoffending, which not only benefits the individuals involved, but reduces the number of victims and creates a safer society for all.

Large numbers of people who find themselves stuck in a cycle of offending and arrest have experienced some kind of adverse childhood trauma such as violence, neglect, grief or sexual abuse. One study into the effects of adverse childhood trauma found that 84% of men, and 94% of women in prison have experienced some level of trauma. This is why we focus on the person behind the offending, not the offence. We believe the best way to reduce crime and violence in society is to help the people stuck in the cycle of crime address the issues that led to their behaviour, and help them move forward with their lives. This not only benefits the individual, who is able to move forward with their lives, but also reduces the number of victims and makes society a safer place for everyone.

Merseyside Deferred Prosecution Scheme is a programme run in conjunction with, and funded by, Merseyside Police, which within the year supported over 100 Males aged 18-25 who have committed a first time low-level offence are offered the opportunity to take part in a twelve week crime reduction course rather than be prosecuted. The scheme focuses on addressing the issues behind the offending such as substance misuse, unemployment, or family break down.

Refocus works in conjunction with Merseyside Police to deliver a 12-week, early intervention domestic abuse perpetrator programme for Conditional Cautions. The programme acts quickly to challenge early signs of domestic abuse by providing individuals an opportunity to address harmful behaviours through tailored support. This support looks at addiction, mental health, anger management and emotional wellbeing.

Individuals also attend an educational programme which raises awareness of the effects of domestic abuse and for them to recognise and take accountability for their actions.

Our early intervention works to prevent further escalation of domestic abuse and to protect families, partners, and future partners of perpetrators from further harm.

Plan B is a violence and crime reduction programme funded by the South Yorkshire Violence Reduction Unit. Causeway's 'Custody Navigators' visit people shortly after arrest whilst in custody, and offer the chance to engage in 1-on-1, holistic and trauma-informed support to address any issues that led to their arrest.

As the programme is voluntary any criminal proceedings will continue. The programme is an opportunity for individuals to access support for mental health, housing, addiction, employment / training.

The programme of holistic support runs alongside criminal justice proceedings, and addresses issues such as housing, anger management, substance misuse, and childhood trauma. Between April 2023 and March 2024, Plan B Navigator offered more than 3,500 detainees support, advice, guidance and reassurance from a Causeway Navigator; with leaflets and contact details distributed for those seeking support once back in the community.

During the past year, Plan B has provided intensive 1-1 support to 95 service users in the community, with 43 of those still receiving support post March 2024. 100% of service users have been signposted to services to support with specific support needs.

Immediate Justice focuses on reducing anti-social behaviour and building community cohesion. Causeway's restorative justice practitioners work with people who have taken part in low-level criminal behaviour to work towards making reparations in the community.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Adam's* Story

At only 23, Adam's troubled childhood meant he had already spent six years in and out of custody, and says his future could have looked very different, were it not for the help of Causeway. Adam's story is similar to that of many vulnerable young people who grow up on streets marred by gang violence and drugs.

"I was surrounded by gangs, so that's how I ended up...I started doing drugs and got into fighting." Adam also struggled with dyslexia and found school difficult. After a classroom altercation aged 11, he was permanently expelled and finished his education at a pupil referral unit.

Although Adam found the one to one support he received easier to engage with than mainstream school, the wrong choice of friends led to some poor decision making that would find him in a custody cell on repeat.

Recalling the first time he was taken into custody aged 16, he said: "I got caught with a flip knife. I was trying to prove to my mates that I was 'the big I am'." From then on, Adam's life spiralled out of control. He was abusing alcohol and drugs, and repeatedly getting arrested for violent offences.

In October 2021, Adam found himself in yet another police cell, but by now he was a father of three, and knew he needed to change his life if he was to set any kind of example to his children.

Talking about the first time he met Mark, a Navigator in our Life Navigate Team, Adam said: "I was in the cells and Mark approached me, and talked to me like anyone else. He didn't think I was just a criminal, he actually talked to me with respect.

"We had a little chat, and he passed me a leaflet and said he wanted to work with me to try and get me away from gangs and all the idiots and stuff." Following his release from police custody, Adam met Mark to address the key issues with his lifestyle that were holding him back.

With the support of Causeway, Adam studied for, and passed his core GCSEs – something he hadn't managed at school. After that, he found his first job, and now hopes to progress into forklift truck driving in his home city of Sheffield. In just twelve months, Adam has completely changed his life around.

"When Mark came in my life he gave me the kick I actually needed to get myself in gear," said Adam. Before Causeway, I was doing everything wrong. I was fighting and stuff. Now, if something upsets me, I take a step back and think about what might happen if I do something. "I have a flat, next year I want to get a house, and eventually buy my own house. I've always wanted to do that."

*names have been changed to protect anonymity

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

OUR COMMITMENTS TO OUR PEOPLE

We remain committed to harnessing an inclusive working environment, whilst ensuring equality, diversity and inclusion is organic in our way of working. We have appointed a team of EDI Coordinators, who also work in a range of roles throughout Causeway, which helps inform how we can develop EDI to create a great workplace culture, but also deliver the best possible support for our service users.

We have been awarded Bronze Award in the Stonewall Workplace Equality Index, which is a celebration of the all-round commitment to creating an Inclusive workplace for LGBTQIA+ employees. Working towards the Bronze Award has meant we have been able to create develop policies such as the Transitioning at Work Policy, offering support to any employee going through the transitions journey.

We continue to look for opportunities for the development of our staff, and to ensure the training we deliver is engaging and ensures our employees have the knowledge and confidence to success. We have implemented a training team, who are responsible in the training and upskilling of staff in their specialist areas, and have embarked on enrolling employees on to apprenticeships to develop their skills.

Staff well-being still remains one of our top priorities. Recognising the work we do can often be complex, our People and Culture Team are committed to providing one-on-one, tailored wellbeing support to any employee who may need it.

This is done through creating well-being action plans, a set of actions or agreements between Causeway and employees that puts their Publishing at the forefront. Such initiatives exist alongside other measures for employees to prioritize their wellbeing, such as the weekly wellbeing hour; an hour a week our employees can use when they need, to do something positive for their wellbeing at work.

Our staff said:

"As a Peace Practitioner I have always wanted to serve an organisation that supports human lives to recover from trauma and develop safe and fulfilling futures. I am glad that I found that in Causeway. More so, being part of an organisation that respects and embraces diversity of both its employees and stakeholders makes me feel wanted and always strive to do more for the organisation" - Clifton, Navigator, Life Navigate

"I thoroughly enjoy my role at Causeway. It is an incredibly rewarding job, and I often come home filled with a profound sense of accomplishment. Having spent five years in client-facing roles, I am now in the fundraising department, which has provided me with valuable opportunities for growth within the organisation. I appreciate collaborating with like-minded individuals who are committed to advocating for human rights and achieving the best outcomes for survivors of trafficking". - Mary, LifeSupply Coordinator

"Causeway has established a culture of ensuring that we, as staff members, are also taken care of and several avenues are offered to support our well-being. Despite our roles being mainly remote, I never feel alone and I am always supported by members of my team. We have a vibrant team dynamic! I feel supported and considered often for personal development opportunities and I appreciate being able to discuss training with our P&C team". - Luke, Anti-Trafficking Outreach Coordinator

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Financial review

The Trustees make strategic decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them. They do not however carry out the routine day to day management of the charity, for which the responsibility is delegated to the CEO, Senior Leadership team and wider operational department managers.

For the year ending 31 March 2024, there has been investment to set up Fundraising and Marketing/Communications teams, a significant investment to bring all staff in line with benchmarked salaries, creation of an improved Finance and Operations structure, and additional Crime Reduction programmes. With this focus on investment within, Causeway should be effectively placed to withstand a challenging environment.

There have been very kind donations from many partners towards stock with a value of £200,461 for the year ending 31 March 2024 (2023: £176,502). Some key highlights to note are the first Fundraising Gala to raise awareness and increase support for our work in September 2023 which drew attendees from the modern slavery sector as well as our partners. A fundraising milestone was Glasspool's contribution to allow provision of necessary everyday goods to our Service users.

Causeway received £9,629,929 (2023: £8,004,981) of income during the financial year to 31 March 2024 and expended £9,761,143 (2023: £7,640,274), showing a planned deficit of £131,214 (2023: surplus £364,707). The principal sources of funds are disclosed in notes 3-4 to the accounts.

At 31 March 2024 the charity's reserves were at £3,173,390 (2023: £3,304,604), all of which were unrestricted. The charity's freely available unrestricted reserves at 31 March 2024 were £2,863,010 (2023: £3,020,917). In line with good practice and our policy, Causeway seeks to hold between three and six months of current operating costs in reserve for unforeseen circumstances to enable the charity to continue to operate in such circumstances. This is to ensure the sustainability of our vital services to the vulnerable is maintained without disruption.

Looking ahead

We said a heartfelt goodbye as our Chief Executive Ed Newton departed Causeway, and welcomed our new Chief Executive Helen Ball, who joined us in November 2023.

During 2024-25 we will take stock of our achievements to date and seek to build upon that strong baseline for achievement into the future. We will be preparing and putting in place our new three-year strategic plan for the period April 2025 to March 2028 which will build upon the Charity's journey to date and reflect our continued drive and passion to achieve real change for the people we support.

The fiscal year 2023-2024 has been a testament to the resilience and dedication of everyone associated with Causeway Charitable Services. As we move forward, we remain committed to our mission and look forward to another year of making meaningful differences in the lives of those we serve. We extend our heartfelt gratitude to our donors, volunteers, partners, and staff for their unwavering support.

Together, we will continue to build a brighter future for our communities.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Causeway Charitable Services is a registered charity (number 1110314) and a limited company (number 5396512). All Trustees are also Directors for the purposes of Company law, and are members of the company and guarantee to contribute £1 in the event of a winding up. There are at least three Managing Trustees at any one time. New Trustees are recruited via a thorough process, involving advertising via an external advertising platform, with interviews and due diligence being carried out in line with our Trustee On-boarding procedure. Once recruited Trustees undergo a structured induction process. The Chair of Trustees maintains close contact with the CEO to whom the day-to-day operational management is delegated. The Charity is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

F R Smith	
G A Cheshire	(Resigned 25 May 2023 and reappointed 2 October 2023)
A Kceramidas	(Resigned 3 July 2023)
J M A Oswald	
M M Hlamid	
M Lally	(Appointed 28 August 2023)
S Baugh	(Appointed 28 August 2023)
D Gore	(Appointed 28 August 2023)
E J Aitkenhead	(Appointed 13 February 2024)
J P Waters	(Appointed 15 January 2024)
R M Smith	(Appointed 12 April 2024)

Key Management Personnel:

Helen Ball (Chief Executive Officer - appointed 20.11.2023)
Amy Bond (Chief Operating Officer – appointed 01.06.2023)
Deepa Mistry (Chief Finance Officer – appointed 26.06.2023)

The Charity operates a Management board consisting of Heads of Finance, Operations, Services, People & Culture, Business Development & Fundraising, Communications & Engagement.

Recruitment and appointment of trustees

The organisation seeks to ensure that there is diversity of experience and expertise among the Trustees. Regular meetings identify the strengths and weaknesses amongst the skill set of the Trustees, and the Board has actively and successfully recruited new members to improve the efficiency of the Board. During the financial year, the Charity added expertise in Governance, Finance, Safeguarding, Business Development, as well as ensuring that Survivor Voice is represented with the appointment of an individual with Lived Experience. Their voice is essential if we are to ensure the voices of the people we support are at the heart of decision making, and to positively shape our work and society going forward.

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Trustee Induction and Training

Prospective Trustees become familiar with the practical work of the charity through their presence at meetings and visits to our services and offices. All Trustees are also encouraged to attend an annual away day. A variety of documents and training opportunities exist for Trustees when they are inducted, and all Trustees are provided with a set of Causeway's key Policies and Procedures.

Organisational structure

The Trustees meet on a regular, formal, basis at least four times per year, but more often when required. During COVID-19, meetings were held by video-conference, but since the lifting of restrictions we have adopted a hybrid model with some Trustees meetings taking place face to face and others via video conference. At the regular quarterly meetings the Trustees approve the Charity's Strategy, as well as areas for activity, and monitor progress against key action plans. In addition, they receive reports from the Chief Executive Officer to enable them to monitor the management of the day to day activities (which they have delegated to that officer) and provide formal approval for proposed action where necessary. In addition, the Risk Register is reviewed on an annual basis by the Board of Trustees (quarterly by the Charity's Management Board), as well as following any significant internal or external events. None of the Trustees have any beneficial interest in the Company. The activities of the Charity are to provide support for marginalised and vulnerable people. Following a review of our purpose and values, and the development of our future strategy-which involved extensive stakeholder engagement, we have submitted an update to our Charitable Objectives, which is to ensure the Charity clearly and accurately communicates its work. During this year, the Board agreed to set up a Remuneration and Nominations Committee, agreed draft terms of reference and nominated representatives. The first meeting of the Committee was held on 20 February 2024.

Internal control- Managing risk

The Trustees have reviewed the Charity's risk management procedures. In the course of the review the Trustees determine the major risks to which the Charity is exposed, the potential impact if an individual risk materialises, and what mitigating actions are in place, or need to be put in place, in order to reduce each risk to a level which the Trustees consider to be acceptable. The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. They have recorded this position in a Risk Register and encapsulated the necessary risk mitigation action. The principal specific risk to which the charity is currently exposed is financial, due to potential loss or reduction in its contractual services.

The salary of key managers and other staff is set by the Board of Trustees before the new financial year. The Trustees apply three criteria in deciding the level of pay:

- The impact of each post on the Charity's stated objectives
- The external jobs market and the level of pay needed to attract managers with the required skills
- The financial resources and financial sustainability of the Charity

CAUSEWAY CHARITABLE SERVICES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

I take this opportunity to express my very sincere thanks and that of my fellow Trustees, to all staff and volunteers, friends, donors and beneficiaries and our partner agencies for their continued support.

The trustees' report was approved by the Board of Trustees.

J M A Oswald

Chair of Trustees

Dated: 5 December 2024

CAUSEWAY CHARITABLE SERVICES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Causeway Charitable Services for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

In preparing these accounts, 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES

Opinion

We have audited the financial statements of Causeway Charitable Services (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES CONTINUED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES CONTINUED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Mealing (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

5 December 2024

Chartered Accountants
Statutory Auditor

CAUSEWAY CHARITABLE SERVICES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
<u>Income from:</u>					
Grants and donations	3	301,581	377,327	20,000	397,327
Charitable activities	4	9,298,198	7,605,833	-	7,605,833
Other trading activities	5	500	-	-	-
Investments	6	29,650	1,821	-	1,821
Total income		9,629,929	7,984,981	20,000	8,004,981
<u>Expenditure on:</u>					
Raising funds	7	161,859	75,074	-	75,074
Charitable activities	8	9,599,284	7,545,200	20,000	7,565,200
Total resources expended		9,761,143	7,620,274	20,000	7,640,274
Net (outgoing)/incoming resources before transfers		(131,214)	364,707	-	364,707
Net (expenditure)/income for the year/ Net movement in funds		(131,214)	364,707	-	364,707
Fund balances at 1 April 2023		3,304,604	2,939,897	-	2,939,897
Fund balances at 31 March 2024		3,173,390	3,304,604	-	3,304,604

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAUSEWAY CHARITABLE SERVICES

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		440,978		425,091
Current assets					
Stocks	15	200,461		176,502	
Debtors	16	1,809,932		1,558,892	
Cash at bank and in hand		1,120,847		1,451,412	
		3,131,240		3,186,806	
Creditors: amounts falling due within one year	17	(268,230)		(165,889)	
Net current assets			2,863,010		3,020,917
Total assets less current liabilities			3,303,988		3,446,008
Creditors: amounts falling due after more than one year	18		(130,598)		(141,404)
Net assets			3,173,390		3,304,604
Income funds					
Unrestricted funds			3,173,390		3,304,604
			3,173,390		3,304,604

The financial statements were approved by the board of directors and authorised for issue on 5 December 2024 and are signed on its behalf by:

J M A Oswald
Trustee

Company Registration No. 5396512

CAUSEWAY CHARITABLE SERVICES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
		£	£
Cash flows from operating activities			
Cash (absorbed by)/generated from operations	23	(276,391)	65,474
Investing activities			
Purchase of tangible fixed assets		(68,587)	(38,966)
Proceeds from disposal of tangible fixed assets		-	4,488
Investment income received		24,450	1,821
Net cash used in investing activities		(44,137)	(32,657)
Financing activities			
Repayment of bank loans		(10,037)	(11,869)
Net cash used in financing activities		(10,037)	(11,869)
Net (decrease)/increase in cash and cash equivalents		(330,565)	20,948
Cash and cash equivalents at beginning of year		1,451,412	1,430,464
Cash and cash equivalents at end of year		1,120,847	1,451,412

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Company information

Causeway Charitable Services is a private company limited by guarantee incorporated in England and Wales. The registered office is 3rd Floor, 32 Fyre Street, Sheffield, S1 4QZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of income from donations in kind is based on the estimated value of the goods donated. Income is recognised once the stock has been distributed to service users.

The value of services provided by volunteers has not been included.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold property improvements	33% Straight line
Fixtures, fittings & equipment	20% Straight line/33% Straight line
Motor vehicles	10% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at estimated cost. Stocks arise from donations in kind which have been received and not distributed to service users by the year end. As donated, when no price is provided an equivalent price for the goods is obtained by researching similar items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Grants and donations

	Unrestricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2023 £	2023 £	2023 £
Donations and gifts	244,616	244,616	363,427	-	363,427
Grants receivable	56,965	56,965	13,900	20,000	33,900
	<u>301,581</u>	<u>301,581</u>	<u>377,327</u>	<u>20,000</u>	<u>397,327</u>

Donated goods and services

The donations and gifts balance of £244,616 (2023 £363,427) includes donations in kind with a fair value of £165,663 (2023 £300,049) that were received by the charity. During the year the charity distributed goods with a fair value of £141,705 (2023 £123,547), leaving a stock balance at 31 March 2024 of £200,461 (2023 £176,502) as shown in note 14.

During the year the charity distributed goods with a fair value of £10,627 to two institutions: Snowdays £1,627 and Carasf £9,000. The remaining balance of £131,078 was distributed to individuals.

4 Charitable activities

	2024 £	2023 £
Services provided under contract and other charitable activities	<u>9,298,198</u>	<u>7,605,833</u>

5 Other trading activities

	2024 £	2023 £
Fundraising events	<u>500</u>	<u>-</u>

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

6 Investments

	2024	2023
	£	£
Interest receivable	29,650	1,821

7 Raising funds

	2024	2023
	£	£
<u>Fundraising and publicity</u>		
Advertising	67,740	30,643
Staff costs	94,119	44,431
	<u>161,859</u>	<u>75,074</u>
Fundraising and publicity	161,859	75,074
	<u>161,859</u>	<u>75,074</u>

£13,995 of the £67,740 expenditure on advertising relates to fundraising expenses.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Charitable activities

	2024 £	2023 £
Staff costs	4,871,404	3,646,258
Depreciation	51,543	61,445
Repairs and maintenance	153,996	147,241
Telephone	59,094	60,747
Training costs	79,948	67,384
Motor and travel expenses	220,469	157,523
Rent, charges and accommodation	1,054,627	968,333
Distributions of donations in kind	141,705	123,547
Insurance	32,998	35,360
Legal and professional fees	343,898	162,758
Bank interest and charges	10,432	6,592
Sundry expenses	112,807	73,300
Light and heat	143,426	101,286
Rates	48,680	41,033
Food and drink	33,835	25,282
Activities and outings	15,810	14,412
Printing, postage and stationery	18,616	9,365
IT expenses	261,038	159,358
Cleaning	57,680	47,970
Gifts	-	9,491
Licences and subscriptions	38,909	2,991
Allowances	1,837,193	1,573,493
Loss on disposal of fixed assets	1,159	4,488
Rebranding	-	60,593
	<u>9,589,267</u>	<u>7,560,250</u>
Grant funding of activities (see note 9)	5,337	390
Share of governance costs (see note 10)	4,680	4,560
	<u>9,599,284</u>	<u>7,565,200</u>
Analysis by fund		
Unrestricted funds	9,599,284	7,545,200
Restricted funds	-	20,000
	<u>9,599,284</u>	<u>7,565,200</u>

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Grants payable

	2024 £	2023 £
Grants to institutions:		
Other	5,337	390
	<u>5,337</u>	<u>390</u>
	<u>5,337</u>	<u>390</u>

10 Support costs

	Support costs £	Governance costs £	2024 £	Support costs £	Governance costs £	2023 £
Audit fees	-	4,680	4,680	-	4,560	4,560
	<u>-</u>	<u>4,680</u>	<u>4,680</u>	<u>-</u>	<u>4,560</u>	<u>4,560</u>
	<u>-</u>	<u>4,680</u>	<u>4,680</u>	<u>-</u>	<u>4,560</u>	<u>4,560</u>
Analysed between Charitable activities	-	4,680	4,680	-	4,560	4,560
	<u>-</u>	<u>4,680</u>	<u>4,680</u>	<u>-</u>	<u>4,560</u>	<u>4,560</u>

Governance costs includes payments to the auditors of £4,680 (2023: £4,560) for audit fees. Other costs includes payments to the auditors of £4,320 (2023: £3,840) for other services.

11 Trustees

F R Smith controls another company that during the period since she became a trustee received £nil (2023: £62) for marketing services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charity during the year.

The aggregate amount of expenses reimbursed to 1 trustees (2023: 5) in respect of business travel and out of pocket expenses amounted to £22 (2023: £1,026).

The charity's Memorandum and Articles of Association expressly permits trustees to be remunerated provided certain conditions are met.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Employees	164	145
Trustees	9	5
	<u>173</u>	<u>150</u>

Employment costs

	2024 £	2023 £
Wages and salaries	4,439,932	3,313,754
Social security costs	412,473	290,563
Other pension costs	113,118	86,372
	<u>4,965,523</u>	<u>3,690,689</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2024 Number	2023 Number
£60,001-£70,000	2	-

13 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Tangible fixed assets

	Land and buildings	Leasehold property improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2023	398,251	1,376	236,564	-	636,191
Additions	-	-	33,587	35,000	68,587
Disposals	-	-	(24,717)	-	(24,717)
At 31 March 2024	398,251	1,376	245,434	35,000	680,061
Depreciation and impairment					
At 1 April 2023	46,549	924	163,626	-	211,099
Depreciation charged in the year	7,965	275	41,557	1,745	51,542
Eliminated in respect of disposals	-	-	(23,558)	-	(23,558)
At 31 March 2024	54,514	1,199	181,625	1,745	239,083
Carrying amount					
At 31 March 2024	343,737	177	63,809	33,255	440,978
At 31 March 2023	351,702	452	72,937	-	425,091

The charity's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2024 amounting to 40% (2023: 42%) of their net book value.

15 Stocks

	2024 £	2023 £
Donated goods received for distribution to service users	200,461	176,502

16 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	1,670,030	1,466,692
Other debtors	5,200	2,125
Prepayments and accrued income	134,702	90,075
	1,809,932	1,558,892

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	19	7,277	6,508
Other taxation and social security		101,506	64,853
Trade creditors		75,492	60,563
Other creditors		22,847	7
Accruals and deferred income		61,108	33,958
		<u>268,230</u>	<u>165,889</u>

18 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	19	<u>130,598</u>	<u>141,404</u>

19 Loans and overdrafts

	2024 £	2023 £
Bank loans	<u>137,875</u>	<u>147,912</u>
Payable within one year	7,277	6,508
Payable after one year	<u>130,598</u>	<u>141,404</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>105,463</u>	<u>112,231</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Analysis of net assets between funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2024	2023	2023	2023
	£	£	£	£
Fund balances at 31 March 2024 are represented by:				
Tangible assets	440,978	425,091	-	425,091
Current assets/(liabilities)	2,863,010	3,020,917	-	3,020,917
Long term liabilities	(130,598)	(141,404)	-	(141,404)
	<u>3,173,390</u>	<u>3,304,604</u>	<u>-</u>	<u>3,304,604</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	678,354	411,090
Between two and five years	213,474	352,896
	<u>891,828</u>	<u>763,986</u>

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	243,806	59,192

The key management personnel of the charity comprise the trustees and the senior leadership team. For 2023 the senior leadership team consisted of only the Chief Executive Officer but in 2024 there has been a change in the management structure so that the senior leadership now comprises the Chief Executive Officer, the Chief Operations Officer and the Chief Finance Officer. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charity was £243,806 (2023: £59,192).

None of the trustees received any remuneration or benefits during the period.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take into consideration the ability of the charitable company to be able to pay such salaries.

There were no other related party transactions to disclose.

23 Cash generated from operations	2024 £	2023 £
(Deficit)/surplus for the year	(131,214)	364,707
Adjustments for:		
Investment income recognised in statement of financial activities	(29,650)	(1,821)
Loss on disposal of tangible fixed assets	1,159	-
Depreciation and impairment of tangible fixed assets	51,543	61,445
Movements in working capital:		
(Increase) in stocks	(23,959)	(176,502)
(Increase) in debtors	(245,840)	(186,583)
Increase in creditors	101,570	4,228
Cash (absorbed by)/generated from operations	(276,391)	65,474

CAUSEWAY CHARITABLE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

24 Analysis of changes in net funds

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	1,451,412	(330,565)	1,120,847
Loans falling due within one year	(6,508)	(769)	(7,277)
Loans falling due after more than one year	(141,404)	10,806	(130,598)
	<u>1,303,500</u>	<u>(320,528)</u>	<u>982,972</u>

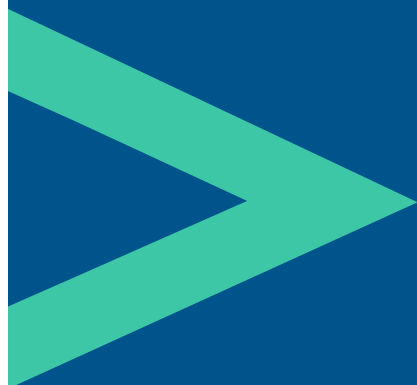
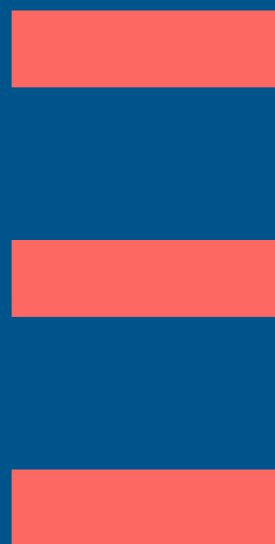
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Accounts

CAUSEWAY

Annual Report & Accounts

2022/2023





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CAUSEWAY

Welcome

FROM THE CHAIR OF TRUSTEES



Jennie Oswald
Chair of Trustees

The past twelve months have seen Causeway continue to grow and thrive, and I am very proud of the achievements and developments we have made across the organisation.

Our staff work tirelessly to improve the lives of the people in our service, many of whom have experienced horrendous abuse and marginalisation. An organisation is only as strong as its employees, and I can confidently say that our employees are very strong indeed!

It isn't always easy supporting others through trauma and pain on a daily basis, but thanks to the dedication of Causeway's caseworkers, navigators, and support staff, thousands of people are having their lives turned around.

In the past twelve months, we have supported in excess of 1,500 modern slavery survivors, and over 3,500 people across our crime reduction services.

On the surface it may seem like these two strands of our work do not have much in common, but in reality they often overlap. Both groups of people have experienced trauma and a lack of control over their lives, and many survivors of human trafficking will have come into contact with the criminal justice system as a result of being criminally exploited.

Criminal exploitation is a type of modern slavery that includes forced begging, forced theft, drug dealing, cannabis cultivation, and financial exploitation, and is very common across the UK. In fact it now makes up more than 25% of all exploitation cases.

Causeway is an organisation always quick and willing to respond to needs across the modern slavery sector, so in response to this increase in criminal exploitation, we recently opened a safe house specifically for Vietnamese males. These, often young and vulnerable men are brought to the UK to cultivate cannabis, but once they are rescued, are too intimidated to engage with support. The safe house has proved very successful, and the number of Vietnamese males absconding from safe support has fallen.

Causeway's expertise in trauma-informed support has also meant we have been offered contracts for two new violence reduction programmes in Merseyside. We have also recently launched our Ingredients for Life programme in association with Asda, which aims to increase the confidence and skill set of modern slavery survivors.

It's been a busy year, and as we continue to grow and develop as an organisation, I can't wait to see what the next year brings!

Thank you,
Jennie Oswald,
Chair of Trustees

Introduction

THE TRUSTEES PRESENT THEIR REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Causeway Charitable Services Memorandum and Articles of Association, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities," issued in March 2005 and FRS 102.

MODERN SLAVERY

104 Causeway staff worked across our Modern Slavery services between April 1st 2022 and March 31st 2023.

ACCESS service supported over **1,000** service users including **738** new referrals from The North West, North East and South Yorkshire regions Between April 1st 2022 and March 31st 2023 within our Safe Houses, Outreach and Reach In support.

CRIMINAL JUSTICE

16 Causeway staff worked across our crime reduction services between April 1st 2022 and March 31st 2023.

Plan B is Causeway's crime reduction programme in South Yorkshire and supports people from Barnsley, Doncaster, Rotherham and Sheffield.

Merseyside Deferred Prosecution Service (MDPS) supports people from Knowsley, St. Helens, Sefton, Wirral, and the city of Liverpool.

Between April 1st 2022 and March 31st 2023 - there were **165** people supported by MDPS.

Between April 1st 2022 and March 31st 2023, more than **3,000** detainees were offered advice and guidance by Causeway's Plan B team in custody suites, and **112** people were supported longer term in the community.

Our Locations



Purpose, Values and Strategic Objectives

PURPOSE

To free marginalised and vulnerable people to find their voice, in a society that values their place.

STRATEGIC OBJECTIVES

In order to deliver on our vision to ensure a thriving future for marginalised and vulnerable people, particularly individuals caught in the cycle of crime and exploitation, we are working on our long term strategy.

Our objectives are:

1. Delivering excellence, pioneering new ideas for lasting change, and partnering for influence and greater visible impact.
2. Working to prevent, support and protect people from the cycle of crime and exploitation.
3. Empowering our service users' voices alongside our own for a fairer society.

VALUES

We respect the person

It starts with believing in people, seeing beyond their circumstances, being a champion for consistent support, and always being honest. We do what we say we will do, acting within boundaries as we respect people's identities, voices and personal choices. Because for us, there is no mutual respect without self-respect.

We do things right

We never let being professional get in the way of our compassion. So our approach is transparent, well-informed, and yet always personal. We take responsibility for our actions and are accountable to our high standards as well as those of others. This means that we can be relied upon to deliver excellence, and to go above and beyond what's required, to do what's really needed.

We create change

Diverse and open-minded, we always look for new, better ways to help and create the change we want to see in society. We're approachable and welcome feedback, strengthening relationships as we consider people's many perspectives. And we don't wait for change but go towards it to respond to needs.

We come through together

United in our purpose, we overcome obstacles and stride towards positive outcomes. Our resilience gives us confidence to adapt and persist. We don't give up on people, each other, or on our shared goals, and progress together.

TO DELIVER ON OUR OBJECTIVES, THE CHARITY WILL:

PREVENT. PROTECT. PROGRESS.

Causeway exists to support marginalised and vulnerable people to recover from trauma, protect them from further harm, and help them move forward into independent and fulfilling lives.

We deliver support nationally, with a primary focus on the north of England, in areas of adult modern slavery survivor support, and crime and violence reduction.

Voice

We will help survivors and service users find their voice in society and ensure it is listened to, recognised, and their contribution valued.

We will take survivors and service users' insights, alongside our expert network of partners, supporters and practitioners, into the heart of decision-making.

We seek to establish authority as a credible go-to expert and organisation with the highest standards on the prevention, support and protection of marginalised and vulnerable people in the UK.

Impact and measurement

We will measure our impact and improve our services by using data and an insight-led approach to our decision making.

Innovation

We will innovate, further develop, and collaborate with other frontline organisations and partners to enable and expand our services where there is a recognised need.

Sharing and working with others

We will tackle the skills gap experienced by marginalised and vulnerable people, by sharing knowledge, good practice and expertise, and working in partnership with others.

We will work with all relevant government officials and authorities, such as the UK anti-slavery commissioner, to play a role in the prevention, support and protection of marginalised and vulnerable people.

We will liaise effectively, and influence positive outcomes in the work of local and regional public sector agencies who we may share responsibilities with for marginalised and vulnerable people, e.g. the police, the NHS, GP surgeries and the probation service.

Influence

We will seek to raise awareness of the risks associated with falling back into the cycle of crime and exploitation, and find opportunities to strengthen prevention, support and protection services around these issues through research and greater transparency, and the voices and stories of those we support

We will invest in campaigns, and advocate tirelessly for the prevention of exploitation, support of survivors to be at the centre of all strategic thinking around modern slavery and understand the potential positive contributions.

Our Impact and Influence

OUR MODERN SLAVERY SUPPORT SERVICES

ACCESS

Our modern slavery services support survivors of exploitation who have been referred into the NRM. (National Referral Mechanism) The NRM is the government support system for people believed to be victims of exploitation and trafficking. This can include forced labour, forced sex work, forced criminality, debt bondage, and domestic servitude. We are subcontractors of the Modern Slavery Victim Care Contract (MSVCC), of which The Salvation Army is the prime contract holder.

As one of the largest providers of adult modern slavery support in the UK, **Causeway are experts in the field of survivor recovery** and can support up to one thousand people across our NRM and post NRM departments at any one time.

Our accommodation team run 15 safe houses for male and female survivors, as well as family safe houses for people who arrive with children. At capacity we can accommodate 104 people who are each given their own room and assigned an advocate to help them meet their initial needs.

Through the year we supported 221 adults and 42 dependent children.

In June this year, we opened the first safe house specifically dedicated to supporting Vietnamese males. These vulnerable men are brought to the UK to cultivate cannabis and are too intimidated to engage with support when rescued. Our approach and support has had a successful impact, and retained the number of Vietnamese males absconding from safe support from decreasing.

Our outreach team supports survivors of exploitation who are living in the community, and who need support in accessing services such as health care, housing and legal advice, and education or employment opportunities. **Across the year, the Charity supported over 1,000 survivors in the community, as well as their dependants.**

“

“Causeway has helped me a lot. When I ran away from my traffickers I was so depressed, it was not easy for me, but in the safe house I met other ladies from my country and we shared our experiences.”

– Causeway Service User

“

“Causeway helped and supported me for more than three years. In my hardest moments they were there for me.”

– Causeway service user

Marta and Paul's* Story

Marta and Paul, both in their 50s, spent most of December 2020 homeless, penniless and terrified following their escape from the locked cellar where they were being held by traffickers.

After their cleaning business in Poland went bust during the Covid pandemic, the couple were encouraged by people who had heard about the collapse of their business, to travel to London to work in a shop. However, when they arrived, they found they had been tricked by members of a Polish criminal gang. Their passports were taken, and they were told they owed their new employer thousands in 'fees' and travel expenses. They were then locked in a cellar beneath the shop.

They are not sure how long they were kept there as they were only allowed out to work. Marta was made to work in the shop and as a cleaner, and Paul was taken every day to a nearby car wash.

"It was very scary," said Marta. "Some days they wouldn't unlock the cellar, and we would have no food. I worried if there was a fire we wouldn't be able to get out."

Even though Marta and Paul were afraid of the gang, after months of being forced to work long hours for free, they took the first chance they could to escape.

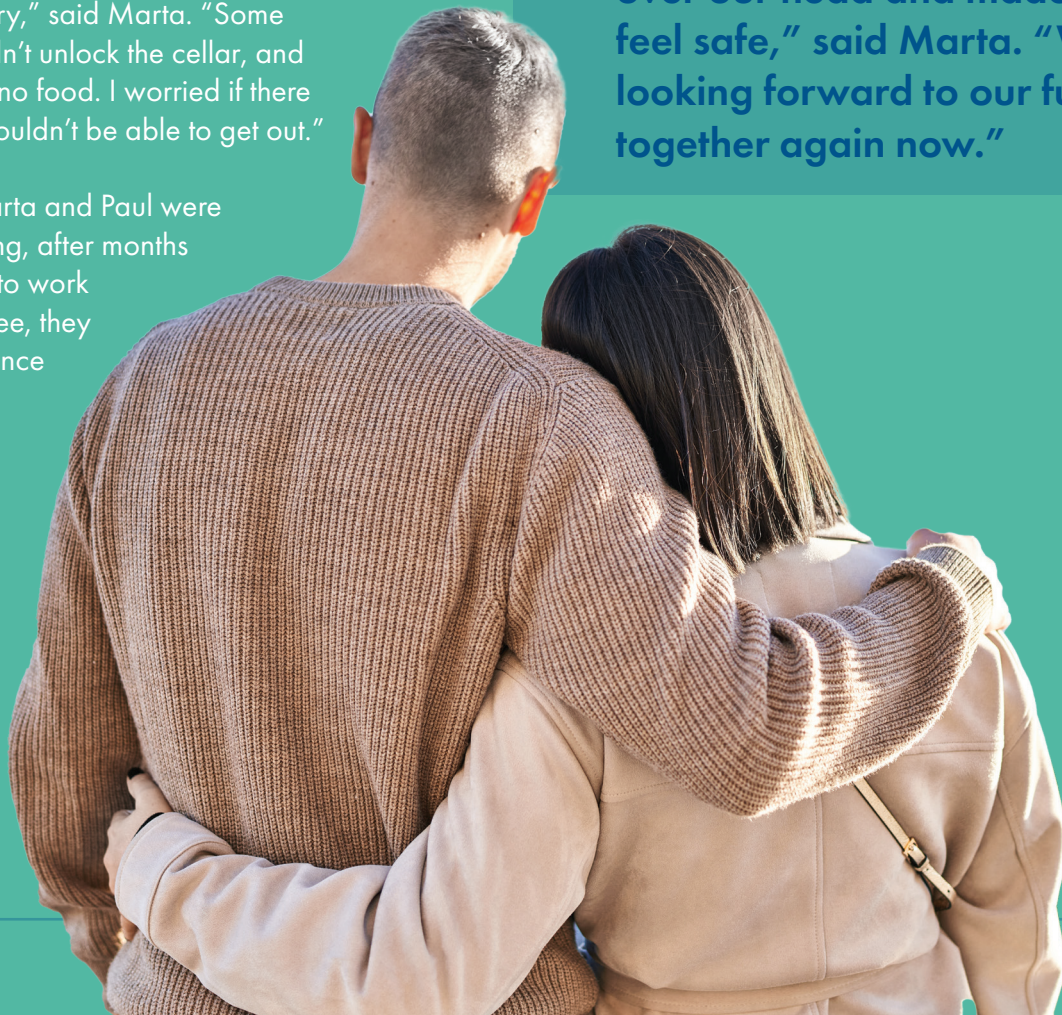
"We ran away and spent two weeks sleeping on benches around Euston Train Station," said Marta. "It was cold, and depressing, and I was worried the gang would be searching for us."

The couple sought help from the police and Polish Embassy, and on Christmas Day, they were found emergency accommodation, and then referred into Causeway's family safe houses, where they have spent the last two years.

"Causeway have taken care of us," said Marta. Marta and Paul have been supported by Causeway advocates to find work again, address their health issues, and apply for council accommodation. After two years of support, they are now preparing to move on from the safe houses and back into independence.

"Causeway helped put a roof over our head and made us feel safe," said Marta. "We are looking forward to our future together again now."

*names have been changed to protect anonymity



LIFELINE

LifeLine was the first support programme of its kind for survivors of modern slavery and was developed by Causeway to address the needs of survivors who have come to the end of their government funded support, but who still need the safety net of having someone to turn to for advice.

LifeLine supports survivors with regular phone calls, advocacy and drop-in sessions. Support is continuously adapted to meet the needs of survivors and ensure that issues do not escalate over time.

Over the last year, **Causeway has supported 200 survivors every month** and met over 2,526 personal needs including, accessing housing services, legal advice and food bank referrals. Thanks to the enhanced support we can provide through **LifeLine**, we are able to ensure that **97% of our service users avoid being re-trafficked**. Without this specialist support we would see many people left isolated and vulnerable, teetering at a cliff edge, and in real danger of being re-trafficked or forced back into a life of exploitation.

“

“Causeway has made a big difference in my life because without them I would never have felt confident and safe. They supported me emotionally, and they helped me move forward, step by step, and believe in myself again.”

– Causeway Service User

LIFELINK

Causeway currently operates four **LifeLink** hubs in Liverpool, Manchester, South Yorkshire and the North East. Feeling comfortable in, and connected to a community, is crucial for survivors of modern slavery to remain resilient and to prevent re-exploitation. **LifeLink** addresses this, and other pressing needs, during the vital period when survivors are adapting to their newly regained freedom.

It provides a safe space from which to regain of control over their lives, help them see outside of their current situations and look towards the future. By providing structured activities, along with specially programmed trips to key community locations such as museums and libraries, we ensure that survivors improve their confidence, skills and English language whilst increasing their access to vital services, reducing their exclusion and avoiding re-trafficking.

“

“LifeLink hubs were so nice. There was food, and I laughed there a lot.

They did a couple of education programmes there and asked us about our skills. It was like a new life. It was a good time.”

– Causeway service user

INGREDIENTS FOR LIFE

This is a scheme developed by Causeway in partnership with Asda. It is an interactive cookery course led by professional chefs in innovations kitchens around the country. Modern slavery survivors (including those supported by other organisations) are invited to take part in the course where they learn new skills, meet new people, and grow in confidence and self-esteem.



All participants this year have indicated a positive uplift in motivation in their day-to-day lives and feel positive about the future, and their enjoyment of everyday life.

"I would say that Ingredients for Life had various colours and we were prisms. The result of this spectrum gave me trust, self-confidence, self-reliance, courage, being decisive, independence, knowledge and above all belief. Belief in me."

– Causeway Service User

"When I started Ingredients for Life I was struggling with going outside the house, but the course motivated me to get outside the house and travel to another city on the train. This course helped with my fear and slowly made me confident that I can do this and it's not as scary to be outside as it was in my head."

– Causeway Service User

LIFESUPPLY

The people we support often arrive at our safe houses with nothing but the clothes on their back. **To help people feel welcome and safe**, LifeSupply provides an initial care pack of toiletries, bedding and clothes so that each person has what they need. We then aim to meet their ongoing needs during their time with us by gifting them additional clothing, phones, furniture, personal care items, household essentials, food, toys and gifts. Additionally, we also seek to support people with essential items when they move

on to live independently. This year, we have set up a LifeSupply hub in Liverpool, and have **received total in-kind donations to the value of almost £250,000**. Thanks to the generosity of many partners, including Asda, Aldi, John Lewis, Olivia's Closet and Vodafone, we have been able to support our service users on 825 occasions to receive the essential items they need.

BRIGHT FUTURE CO-OP

This is an initiative originally developed by Causeway, but which is now an independent co-operative that aims to fast-track survivors of modern slavery into high quality employment. Participants are matched with an employer and then provided with a paid work experience placement. If the placement is successful, they are offered a job. This bypasses hurdles such as applications and interviews that can be intimidating barriers to survivors. This year, Causeway successfully tendered to continue to deliver the National Matching Service for the Co-operative, which matches participants with employers, for the next three years.

COALITION TO STOP SLAVERY

Causeway is an active member of a coalition of around 20 modern slavery organisations across the UK who work together to campaign for better awareness of human trafficking, as well as improved services and support for survivors. A campaign in 2022 centred around 'spotting the signs' of modern slavery, as well as urging the UK government to commit to ridding its supply chains of exploitation. Two videos were produced as part of the Anti-Slavery Day campaign that featured across the Coalition's website and social media pages, and were viewed by more than 600,000 people across the week, and received more than 1 million impressions.

“

“At the beginning I wasn't able to do everything properly, and everyone around me was so quick at working. But I tried my best and I gained experience and speed and everything was okay. Everyone was so supportive and kind. We overcame any difficulties together. At the end of the role, it was such a relief to be offered the permanent position, and I was so excited to get a permanent job. I was very happy. I have been working at Greencore for 10 months now, I love the community and I love working again. I am so happy to be offered the opportunity with Bright Future, everything was perfect.”

– Bright Future Participant

GREATER MANCHESTER ANTI-TRAFFICKING AND SLAVERY NGO

This year Causeway successfully tendered to coordinate The Greater Manchester Anti-Trafficking and Slavery NGO Forum as part of Programme Challenger. The group formed in response to Greater Manchester Police's desire to collaborate with local modern slavery organisations, build on relationships, and share best practice in the areas of modern slavery and trafficking identification and support.

RESEARCH

Our team and service users have been involved in a number of significant research programmes with universities across the UK this year, including The University of Liverpool and the University of Aberystwyth. The results from these research programmes have been, and will be, used to influence and advise government modern slavery policies, as well as prevent exploitation and re-exploitation from taking place.

This year, we have completed the Home Office Research report with Trilateral helping 132 survivors' voices contribute to the Government's new Modern Slavery Strategy, as well as working with Nottingham Rights Lab on the Journeys project.

In January 2023, a University of Liverpool report titled, "Delivering Effective, Long-Term Support and Integration for People with Lived Experience of Modern Slavery" was published. The report looked into the work of LifeLine, our long-term support service, and concluded that our support has become an essential service for this growing group of individuals (post NRM) and there is an urgent need for policy makers to look at longer-term support for survivors of Modern Slavery.

<https://shorturl.at/kruA1>



OUR CRIMINAL JUSTICE SERVICES

Since the end of the Financial year, as part of our commitment to creating lasting change for marginalised and vulnerable people, and society, we have started to deliver two further Criminal Justice programmes in Merseyside. They are early intervention programmes, which focus on building community cohesion, reducing anti-social behaviour and addressing the factors behind behaviours.

Large numbers of people who find themselves stuck in a cycle of offending and arrest have experienced some kind of adverse childhood trauma such as violence, neglect, grief or sexual abuse. One study into the effects of adverse childhood trauma found that 84% of men, and 94% of women in prison have experienced some level of trauma.

This is why we focus on the person behind the offending, not the offence. We believe the best way to reduce crime and violence in society is to help the people stuck in the cycle of crime address the issues that led to their behaviour, and help them move forward with their lives. This not only benefits the individual, who is able to move forward with their lives, but also reduces the number of victims and makes society a safer place for everyone.

Our criminal justice department, known as LifeNavigate, run crime and violence reduction programmes for people wanting to break the cycle of reoffending. Our trauma-informed approach to supporting perpetrators of crime has proved very successful in reducing rates of reoffending, which not only benefits the individuals involved, but the wider community as well.

Merseyside Deferred Prosecution

Scheme is a programme run in conjunction with, and funded by, Merseyside Police, and has so far supported over 700 people of which around 450 have avoided further prosecution. Latest figures show reoffending rates in the 12 month period following arrest of MDPS participants was 4%, as opposed to non-engaged individuals of which 24% went on to re-offend.

Males aged 18-25 who have committed a first time low-level offence are offered the opportunity to take part in a twelve week crime reduction course rather than be prosecuted. The scheme focuses on addressing the issues behind the offending such as substance misuse, unemployment, or family break down.

Plan B is a violence and crime reduction programme funded by the South Yorkshire Violence Reduction Unit. Causeway's 'Custody Navigators' visit people shortly after arrest whilst in custody, and offer the chance to engage in 1-on-1, holistic and trauma-informed support to address any issues that led to their arrest.

The programme of holistic support runs alongside criminal justice proceedings, and addresses issues such as housing, anger management, substance misuse, and childhood trauma. Between April 2022 and March 2023, Plan B Navigator offered more than 3,000 detainees support, advice, guidance and reassurance from a Causeway Navigator; with leaflets and contact details distributed for those seeking support once back in the community.

During the past year, Plan B has provided intensive 1-1 support to 82 service users in the community, with 64 of those still receiving support post March 2023. 100% of service users have been signposted to services to support with specific support needs.

Leia's* Story

"When I was in the cell after my arrest I was down and depressed. I was still angry about the whole situation, but then would break out in tears as well.

When I got out I had nowhere to go and nowhere to stay. At first I went into a B&B, but after my money ran out, I slept in the bus station for two nights. At that time I had no clue how to resolve my issues. I didn't see a way forward. I had thought of killing myself because I had no idea how to get the basics of a roof over my head sorted out.

I called Causeway's Plan B navigator who had approached me while I was in the cells. The first thing we did was get coffee and do paperwork. After that we started applying for emergency accommodation. Plan B took me to the housing offices as we were struggling to get any help on the phone.

After completing necessary information with them, we had to wait for out of hours housing services. It was then confirmed I had been offered emergency accommodation.

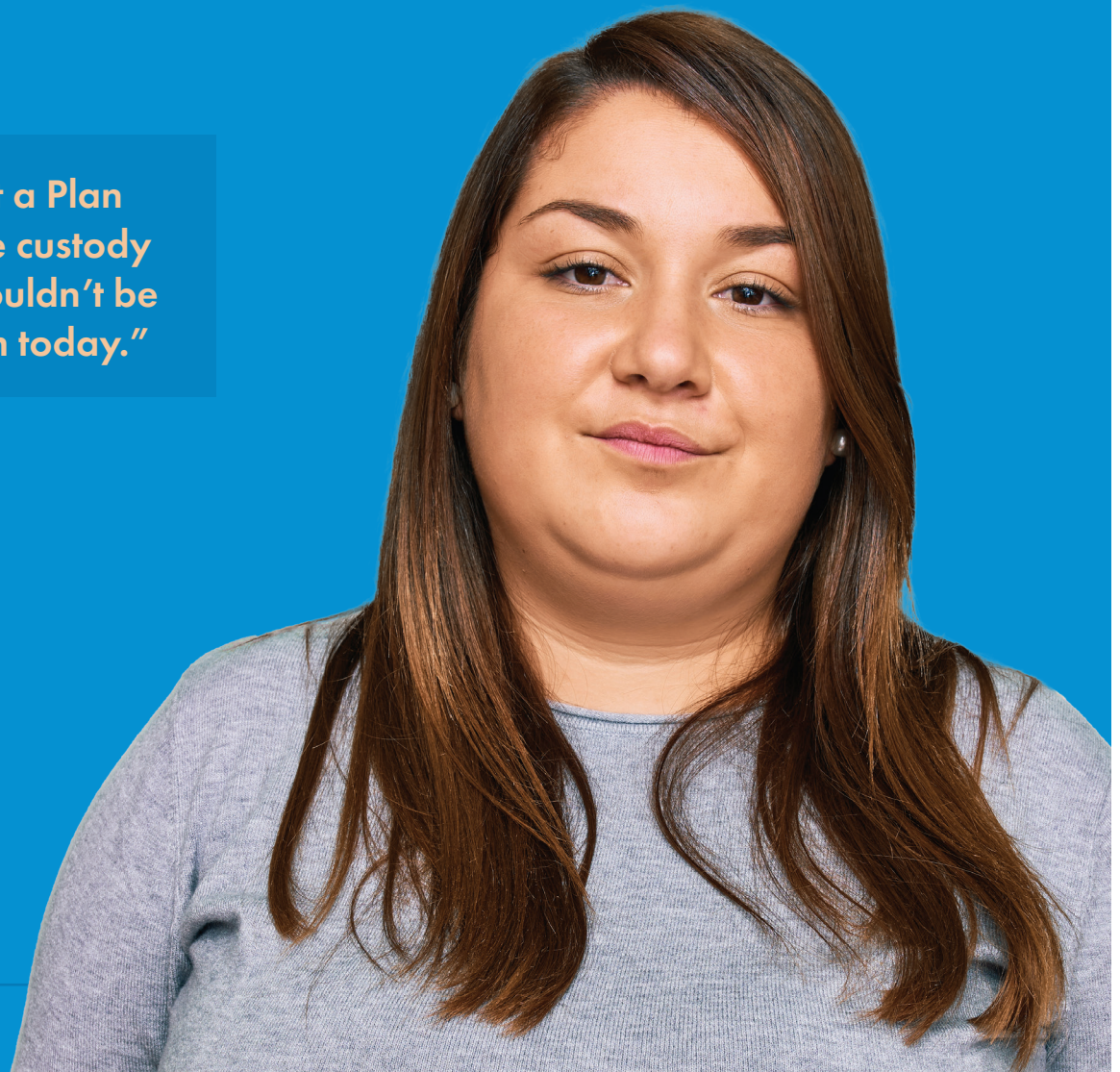
While at the emergency accommodation I eventually acquired long term housing. I used this time to resolve my substance misuse issues, and have managed to remain clean for five and a half months now.

I feel I have a better, brighter future. I am looking forward to joining groups. I am looking forward to making my new house a home.

I've never had anywhere I can call my home before because my life has been unstable since I was 13 years old."

"If I had never met a Plan B navigator in the custody suite, I know I wouldn't be sitting where I am today."

*names have been changed to protect anonymity



The People Who Make it Happen



OUR COMMITMENTS TO OUR PEOPLE

We create an inclusive environment in which people thrive. This year we have developed three staff networks: Dawn (Disability and Wellbeing Network), Plus (LGBTQIA+ Network), and Reach (Race, Ethnicity and Cultural Heritage Network). Each network is open to anyone who identifies with the network's purpose, as well as allies. We have also become Disability Confident Level 2 Employers, meaning we provide an inclusive and accessible recruitment process. This year, we have supported existing staff members by providing reasonable adjustments, along with redeployment of staff who have become disabled during their time of employment, meaning we have been able to retain their expertise.

We create an open and compassionate working culture, delivering supportive policies in line with best practice. This year, we have developed a Domestic Abuse Policy (for staff who may experience domestic abuse); as well as an IVF Policy, and Menopause Policy.

We provide support through challenging times. This year we delivered Cost of Living Support to staff, including the development of a Staff Hardship Fund, advances on expenses, as well as support with working from home expenses and office parking costs.

We invest in our staff development. With the insight of our Training Committee, we have launched Causeway Academy, enhanced our annual training plan, created specialist training opportunities for those with two years service, and began Management Mentoring Groups.

Our Staff said:

"I just wanted to send a massive thank you to the team at Causeway. Causeway is the best organisation I have ever worked for in my life, and the happiest I have been, ever. Thank you for helping to make that happen."

- Causeway Advocate

"Since joining the LifeNavigate team, I have been made to feel part of the team and have been provided with the support to help me carry out my role to the best of my ability. I love that no two days are the same in this job and I am able to work with a diverse range of service users with varying support needs. Supporting individuals to make positive changes in their life is the most rewarding part for me and the emphasis on staff wellbeing is something I believe separates Causeway from other employers."

- Causeway Navigator



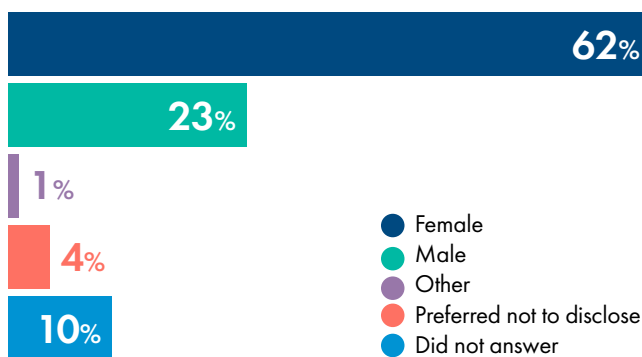
CAUSEWAY



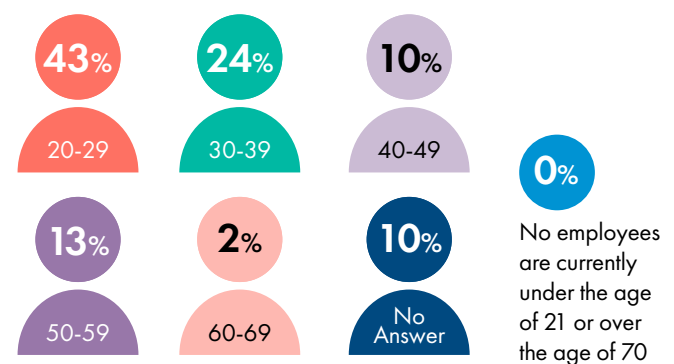
151 STAFF MEMBERS COMMITTED TO CREATING LASTING CHANGE

As part of our ongoing commitment to be an inclusive working environment and build a workforce to reflect the society we operate within, we have begun to capture EDI data from our employees. This awareness, in addition to our work to achieve and sustain external accreditations, enables us to be a responsive employer and ensure we embed equality, diversity and inclusion at the heart of all we do.

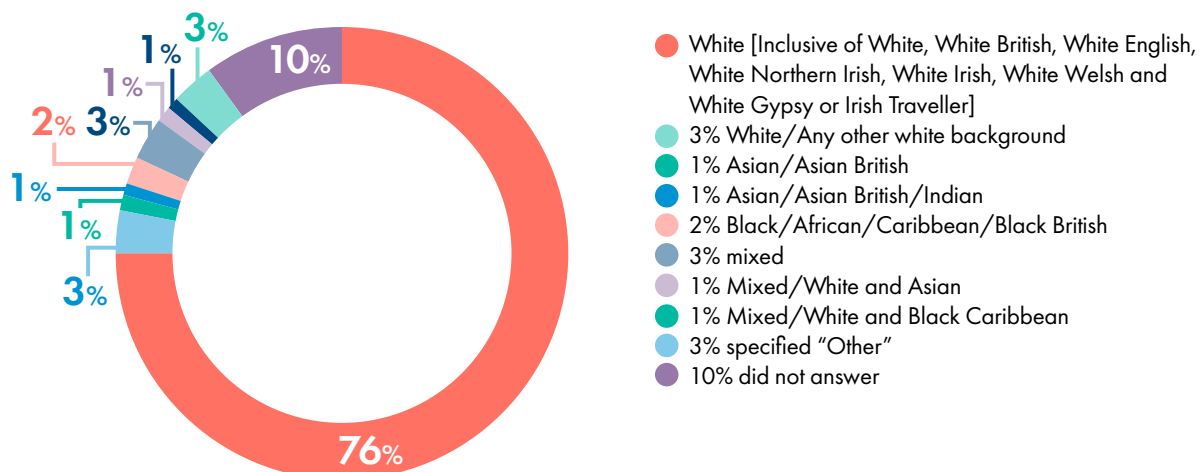
To which gender do you identify?



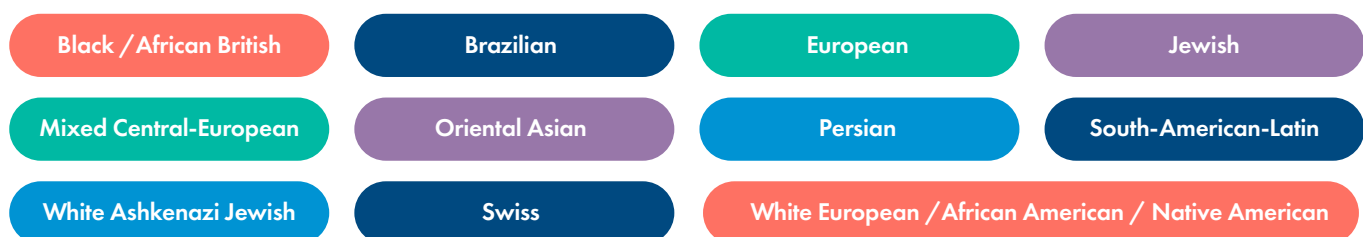
What is your age?



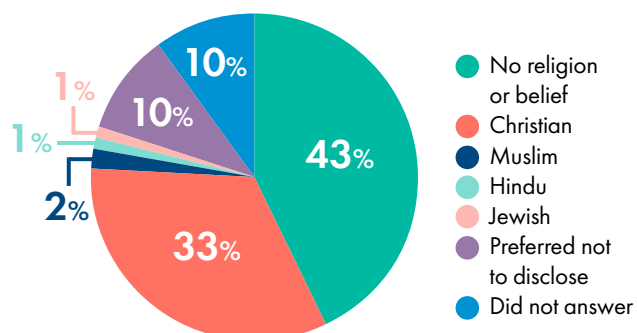
Please select your ethnic background



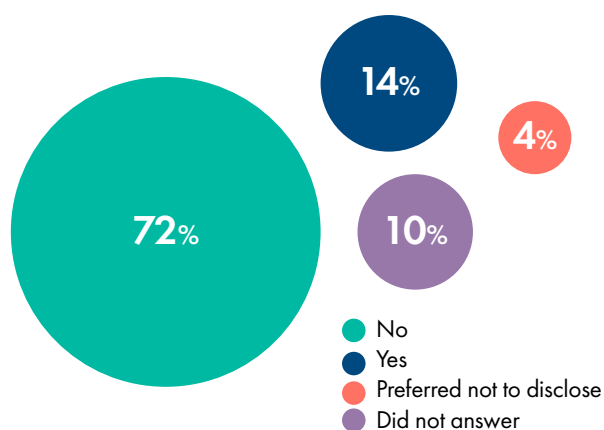
If other, please specify



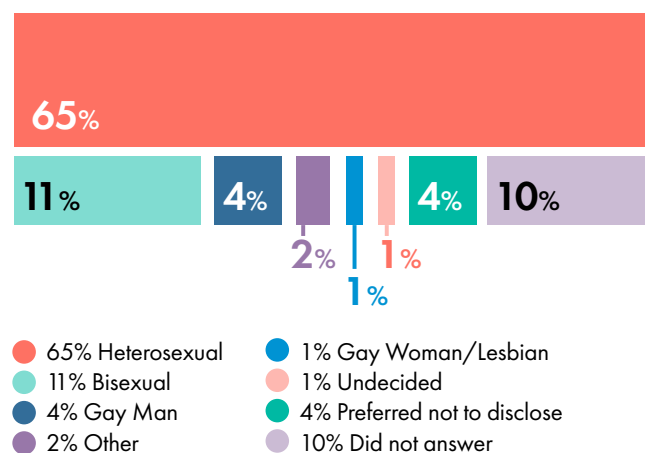
Which option best describes your religion or belief?



Do you consider yourself to have a disability or health condition?



Select the option which best describes your sexual orientation



EXTERNAL ACCREDITATIONS



Our Partners

We send sincere **thank you** to all of our partners. Without them we would be unable to achieve the impacts that we do.

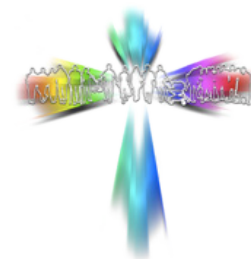
TRUSTS AND FOUNDATIONS



Sheffield Town Trust



Church Burgesses Trust



St. Peter's Church



DELIVERY AND AGENCY PARTNERS





CORPORATE PARTNERS



Financial Review

The trustees make strategic decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them. They do not however carry out the routine day to day management of the charity, for which the budget leader for each department is responsible.

Causeway received £8,004,981 (2022: £6,469,485) of income during the financial year to 31 March 2023 and expended £7,640,274 (2022: £6,251,822), showing a surplus of £364,707 (2022: £217,663). The principal sources of funds are disclosed in notes 3-4 to the accounts.

At 31 March 2023 the charity's reserves were at £3,304,604 (2022: £2,939,897), all of which were unrestricted. The charity's freely available unrestricted reserves at 31 March 2023 were £3,020,917 (2022: £2,640,052).

In line with good practice and our policy, Causeway seeks to hold between three and six months of current operating costs in reserve for unforeseen circumstances. This will ensure we are able to maintain operation of our vital services to vulnerable people without disruption.

The future of Causeway includes a strategic plan to diversify and increase income, and reduce dependency on the contracts through the Salvation Army. Management are exploring diversification options for the organisation. For the year ending 31 March 2024, there has been investment to set up Fundraising/Marketing and Communications teams, a significant investment to bring all staff in line with benchmarked salaries, creation of an improved Finance and Operations structure, and additional Life Navigate programmes. With this focus on investment within, Causeway should be effectively placed to withstand a challenging environment.

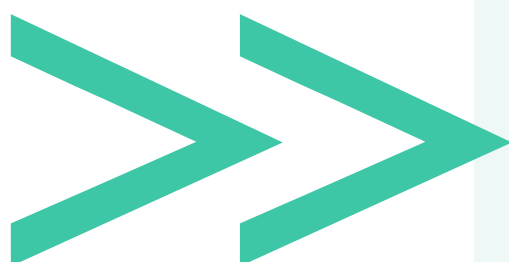
There have been very kind donations from many partners towards stock (value £176,502 for the year ending 31 March 2023), this is a new addition since the prior year, and shown in note 14. Values will be maintained going forwards in alignment with the stock valuation policy.

Looking Forward

With our current Chief Executive Ed Newton announcing his departure following 11 years at the charity and more than six years leading, the search has been underway to find a new Chief Executive.

Helen Ball who is passionate about people and social justice and is an experienced Chief Executive was appointed in the summer and will take up the role in November 2023. The Charity is confident that Helen will lead Causeway forward with confidence, meet its challenges head on and help us build on everything we have achieved so far.

2023/24 will therefore be a transitional year for the charity due to the change in Board and Senior Leadership over the last twelve months and we will be focusing on the building blocks and beginning our next phase of development.



THIS WILL INCLUDE:

- An increased focus on further development of our work in Criminal Justice.
- Our first Fundraising Gala to raise awareness and increase support for our work.
- The production of our first impact report to demonstrate and share our learnings and journey to date.
- A review of core systems and procedures to enable us to strengthen our financial resilience and diversify our workforce to more accurately reflect the diversity of our service users and the society we operate within.
- A focus on raising awareness and driving change through amplifying the voices of our service users and ourselves, investing in research and developing strategic partnerships as we advocate for a fairer and more understanding society. This is critical in light of recent and proposed legislation which may impact support entitlements for survivors of modern slavery.

Provision of Information to Auditors

Each person who is a Trustee at the same time when the Trustees' report is approved, has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the company's auditors are unaware.
- That Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the company' auditors in connection with preparing their report, and to establish that the company's auditors are aware of that information.



Legal and Administrative Details

Trustees:

Geoff Cheshire

(Appointed 24.01.2021, Chair of Trustees until 25.05.2023)

Faye Smith

(Appointed 01.01.2020)

Karl Downes

(Appointed 11.08.2015, Resigned 31.03.2023)

Alex Keramidas

(Appointed 04.05.2022, Resigned 03.07.2023)

Jennie Oswald

(Appointed 30.06.2022, Chair of Trustees from 25.05.2023)

Mominul Hamid

(Appointed 03.08.2022)

Sebastien Baugh

(Appointed 01.09.2023)

Margaret Lally

(Appointed 01.09.2023)

David Gore

(Appointed 01.09.2023)

The Charity's professional advisors are as follows:

Auditors:

UHY Hacker Young,
6 Broadfield Court, Broadfield
Way, Sheffield, S8 0XF

Bankers:

Barclays Bank plc P.O. Box
1385 2 Arena Court Sheffield
S9 2WV

Solicitors:

Stone King LLP, One Park
Row, Leeds, LS1 5HN

Registered Office:

1st Floor, Furnival House,
Furnival Gate, Sheffield,
S1 4QP, United Kingdom

Key Management Personnel:

Ed Newton

Chief Executive Officer
Resigned 17.11.2023

Helen Ball

Chief Executive Officer
Appointed 20.11.2023

Steve Watson

Chief Operating Officer
Resigned 30.06.2023

Amy Bond

Chief Operating Officer
Appointed 01.06.2023

Deepa Mistry

Chief Finance Officer
Appointed 26.06.2023

The Charity operates a Management board consisting of Heads of Finance, Operations, Services, People & Culture, Business Development & Fundraising, Communications & Engagement.

The salary of key managers and other staff is set by the Board of Trustees before the new financial year.

The Trustees apply three criteria in deciding the level of pay:

- The impact of each post on the Charity's stated objectives.
- The external jobs market and the level of pay needed to attract managers with the required skills.
- The financial resources and financial sustainability of the Charity.

Structure, Governance & Management

Causeway Charitable Services is a registered charity (number 1110314) and a limited company (number 5396512). All Trustees are also Directors for the purposes of Company law, and are members of the company and guarantee to contribute £1 in the event of a winding up. There are at least three Managing Trustees at any one time. New Trustees are recruited via a thorough process, involving advertising via an external advertising platform, with interviews and due diligence being carried out in line with our Trustee On-boarding procedure.

Work is being undertaken to form a structured induction process for the New Trustees. The Chair of Trustees maintains close contact with the CEO to whom the day-to-day operational management is delegated. The Charity is governed by its Memorandum and Articles of Association.

The Charity formerly, until September 2022, operated as City Hearts (UK), when its legal name was changed.

RECRUITMENT & APPOINTMENT OF TRUSTEES

The organisation seeks to ensure that there is diversity of experience and expertise among the Trustees. Regular meetings identify the strengths and weaknesses amongst the skill set of the Trustees, and the Board has actively and successfully recruited new members to improve the efficiency of the Board. During the financial year, the Charity added expertise in Governance, Finance, Safeguarding, Business Development, as well as ensuring that Survivor Voice is represented with the appointment of an individual with Lived Experience. Their voice is essential if we are to ensure the voices of the people we support are at the heart of decision making, and to positively shape our work and society going forward. The Trustees continue to seek to strengthen the Board, particularly in the areas of Legal and Research expertise.

TRUSTEE INDUCTION & TRAINING

Prospective Trustees become familiar with the practical work of the charity through their presence at meetings and visits to our services and offices. All Trustees are also encouraged to attend an annual away day. A variety of documents and training opportunities exist for Trustees when they are inducted, and all Trustees are provided with a set of Causeway's key Policies and Procedures.



Our Board of Trustees

Our dedicated Board of Trustees bring a wealth of expertise and experience to Causeway. Setting the strategic direction, they support and challenge our management team, to ensure we act responsibly and deliver on our purpose.



Jennie Oswald

Jennie has a wealth of knowledge and expertise in financial control as EMEA Financial Controller at the Macquarie Group, and was drawn to Causeway for the role it plays in the community, and the difference it is making to people's lives.



Md Mominul Hamid

MD is an asylum seeker and survivor of Modern Slavery and Human Trafficking. Causeway are grateful to MD for his perspective and survivor voice through his lived experience. MD has won many awards for his campaign work to enable higher education access for refugees and asylum seekers.



Geoff Cheshire

Geoff brings decades of experience from his roles as a police officer and with the Red Cross. Geoff's passion for helping people forced into a life not of their choosing, drives his work with Causeway and support for vulnerable people.



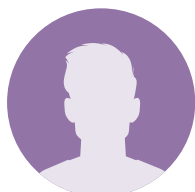
Faye Smith

Faye is an experienced marketing and PR consultant specialising in amplifying the messages of charities in the media. Following a networking event where a woman shared her story of forced sexual exploitation, Faye was interested in helping Causeway and champions the values of the organisation.



Alex Keramidas

Alex has a range of expertise with safeguarding best practice and policy as Head of Safeguarding at the Alzheimer's Society, and is passionate about supporting survivors of Modern Slavery.



Karl Downes

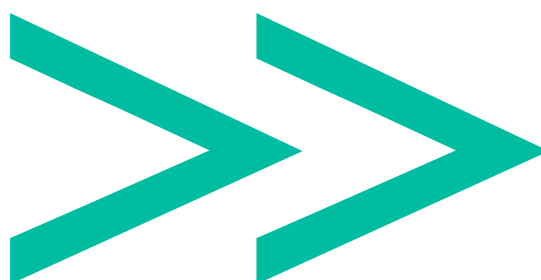
Karl joined Causeway's Board in August 2015, and has made a significant contribution to the organisation. We thank Karl for his service as he resigned in March 2023.

ORGANISATIONAL STRUCTURE

The Trustees meet on a regular, formal, basis at least four times per year, but more often when required. During COVID-19, meetings were held by video-conference, but since the lifting of restrictions we have adopted a hybrid model with some Trustees meetings taking place face to face and others via video conference. At the regular quarterly meetings the Trustees approve the Charity's Strategy, as well as areas for activity, and monitor progress against key action plans. In addition, they receive reports from the Chief Executive Officer to enable them to monitor the management of the day to day activities (which they have delegated to that officer) and provide formal approval for proposed action where necessary. In addition, the Risk Register is reviewed on an annual basis by the Board of Trustees (quarterly by the Charity's Management Board), as well as following any significant internal or external events. None of the Trustees have any beneficial interest in the Company. The activities of the Charity are to provide support for marginalised and vulnerable people. Following a review of our purpose and values, and the development of our future strategy-which involved extensive stakeholder engagement, we have submitted an update to our Charitable Objectives, which is to ensure the Charity clearly and accurately communicates its work.

INTERNAL CONTROL - MANAGING RISK

The Trustees have reviewed the Charity's risk management procedures. In the course of the review the Trustees determine the major risks to which the Charity is exposed, the potential impact if an individual risk materialises, and what mitigating actions are in place, or need to be put in place, in order to reduce each risk to a level which the Trustees consider to be acceptable. The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. They have recorded this position in a Risk Register and encapsulated the necessary risk mitigation action. The principal specific risk to which the charity is currently exposed is financial, due to potential loss or reduction in its contractual services.



Statement of trustees' responsibilities

IN RESPECT TO THE ANNUAL REPORT AND FINANCIAL STATUS

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity and company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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, 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. 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.

Thank you

I take this opportunity to express my very sincere thanks and that of my fellow Trustees, to all staff and volunteers, friends, donors and beneficiaries and our partner agencies for their continued support.

On behalf of the board of the Trustees

Jennie Oswald
Chair of Trustees



15th December 2023

Independent Auditor's Report

TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES

OPINION

We have audited the financial statements of Causeway Charitable Services (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies
- regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Mealing (Senior Statutory Auditor) for and on behalf of UHY Hacker Young

Chartered Accountants
Statutory Auditor

15th December 2023

UHY Hacker Young
Chartered Accountants

Statement of Financial Activities

INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>					
Grants and donations	3	377,327	20,000	397,327	151,074
Charitable activities	4	7,605,833	-	7,605,833	6,315,322
Investments	5	1,821	-	1,821	3,089
Total income		<u>7,984,981</u>	<u>20,000</u>	<u>8,004,981</u>	<u>6,469,485</u>
<u>Expenditure on:</u>					
Raising funds	6	<u>75,074</u>	<u>-</u>	<u>75,074</u>	<u>14,808</u>
Charitable activities	7	<u>7,545,200</u>	<u>20,000</u>	<u>7,565,200</u>	<u>6,237,014</u>
Total resources expended		<u>7,620,274</u>	<u>20,000</u>	<u>7,640,274</u>	<u>6,251,822</u>
Net incoming resources before transfers		<u>364,707</u>	<u>-</u>	<u>364,707</u>	<u>217,663</u>
Net income for the year/ Net movement in funds		<u>364,707</u>	<u>-</u>	<u>364,707</u>	<u>217,663</u>
Fund balances at 1 April 2022		<u>2,939,897</u>	<u>-</u>	<u>2,939,897</u>	<u>2,722,234</u>
Fund balances at 31 March 2023		<u><u>3,304,604</u></u>	<u><u>-</u></u>	<u><u>3,304,604</u></u>	<u><u>2,939,897</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

In line with our reserves policy for providing vital services for vulnerable groups please see the Financial Review on page 22.

BALANCE SHEET AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		425,091		452,057
Current assets					
Stocks	14	176,502		-	
Debtors	15	1,558,892		1,372,309	
Cash at bank and in hand		1,451,412		1,430,464	
		<u>3,186,806</u>		<u>2,802,773</u>	
Creditors: amounts falling due within one year	16	<u>(165,889)</u>		<u>(162,721)</u>	
Net current assets			3,020,917		2,640,052
Total assets less current liabilities			3,446,008		3,092,109
Creditors: amounts falling due after more than one year	17		(141,404)		(152,212)
Net assets			<u>3,304,604</u>		<u>2,939,897</u>
Income funds					
Unrestricted funds			3,304,604		2,939,897
			<u>3,304,604</u>		<u>2,939,897</u>
The financial statements were approved by the board of directors and authorised for issue on 15 December 2023 and are signed on its behalf by:					
In line with our reserves policy for providing vital services for vulnerable groups please see the Financial Review on page 22.					
J M A Oswald					
Trustee					
Company Registration No. 5396512					

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	22	65,474	(58,896)
Investing activities			
Purchase of tangible fixed assets		(38,966)	(14,280)
Proceeds on disposal of tangible fixed assets		4,488	-
Interest received		1,821	3,089
Net cash used in investing activities		(32,657)	(11,191)
Financing activities			
Repayment of bank loans		(11,869)	(8,423)
Net cash used in financing activities		(11,869)	(8,423)
Net increase/(decrease) in cash and cash equivalents		20,948	(78,510)
Cash and cash equivalents at beginning of year		1,430,464	1,508,974
Cash and cash equivalents at end of year		<u>1,451,412</u>	<u>1,430,464</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Causeway Charitable Services is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Furnival House, Furnival Gate, Sheffield, South Yorkshire, S1 4QP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of income from donations in kind is based on the estimated value of the goods donated. Income is recognised once the stock has been distributed to service users.

The value of services provided by volunteers has not been included.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold property improvements	33% Straight line
Fixtures, fittings & equipment	20% Straight line/33% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at estimated cost. Stocks arise from donations in kind which have been received and not distributed to service users by the year end. As donated, when no price is provided an equivalent price for the goods is obtained by researching similar items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Grants and donations

	Unrestricted funds	Restricted funds	Unrestricted funds
	2023	2023	2022
	£	£	£
Donations and gifts	363,427	-	82,544
Grants receivable	13,900	20,000	68,530
	<u>377,327</u>	<u>20,000</u>	<u>151,074</u>

Donated goods and services

The donations and gifts balance of £363,427 includes donations in kind with a fair value of £300,049 that were received by the charity. During the year the charity distributed goods with a fair value of £123,547, leaving a stock balance at 31 March 2023 of £176,502 as shown in note 14.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Charitable activities

	2023 £	2022 £
Services provided under contract and other charitable activities	7,605,833	6,315,322

5 Investments

	2023 £	2022 £
Interest receivable	1,821	3,089

6 Raising funds

	2023 £	2022 £
<u>Fundraising and publicity</u>		
Advertising	30,643	2,385
Staff costs	44,431	12,423
Fundraising and publicity	75,074	14,808
	75,074	14,808

£4,879 of the £30,643 expenditure on advertising relates to fundraising expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Charitable activities

	2023	2022
	£	£
Staff costs	3,646,258	3,033,697
Depreciation	61,445	73,936
Repairs and maintenance	147,241	166,730
Telephone	60,747	60,969
Training costs	67,384	61,599
Motor and travel expenses	157,523	126,774
Rent, charges and accommodation	968,333	606,371
Distributions of donations in kind	123,547	-
Insurance	35,360	28,849
Legal and professional fees	162,758	201,385
Bank interest and charges	6,592	6,821
Sundry expenses	73,300	57,083
Light and heat	101,286	82,282
Rates	41,033	39,317
Food and drink	25,282	24,235
Activities and outings	14,412	9,241
Printing, postage and stationery	9,365	11,137
IT expenses	159,358	198,856
Cleaning	47,970	49,886
Gifts	9,491	-
Licences and subscriptions	2,991	988
Allowances	1,573,493	1,319,511
City Hearts Africa	-	63,994
Loss on disposal of fixed assets	4,488	8,583
	<u>7,560,250</u>	<u>6,232,244</u>
Grant funding of activities (see note 8)	390	1,110
Share of governance costs (see note 9)	4,560	3,660
	<u>7,565,200</u>	<u>6,237,014</u>
Analysis by fund		
Unrestricted funds	7,545,200	6,237,014
Restricted funds	20,000	-
	<u>7,565,200</u>	<u>6,237,014</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Grants payable

	2023 £	2022 £
Grants to institutions:		
Other	390	1,110
	<u>390</u>	<u>1,110</u>

9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Audit fees	-	4,560	4,560	-	3,660	3,660
	<u>-</u>	<u>4,560</u>	<u>4,560</u>	<u>-</u>	<u>3,660</u>	<u>3,660</u>
Analysed between						
Charitable activities	-	4,560	4,560	-	3,660	3,660
	<u>-</u>	<u>4,560</u>	<u>4,560</u>	<u>-</u>	<u>3,660</u>	<u>3,660</u>

Governance costs includes payments to the auditors of £4,560 (2022: £3,660) for audit fees. Other costs includes payments to the auditors of £3,840 (2022: £3,660) for other services.

10 Trustees

F R Smith controls another company that during the period since she became a trustee received £62 (2022: £11,145) for marketing services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charity during the year.

The aggregate amount of expenses reimbursed to 5 trustees (2022: 0) in respect of business travel and out of pocket expenses amounted to £1,026 (2022: £nil).

The charity's Memorandum and Articles of Association expressly permits trustees to be remunerated provided certain conditions are met.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Employees	145	135
Trustees	5	4
	<u>150</u>	<u>139</u>

Employment costs

	2023 £	2022 £
Wages and salaries	3,313,754	2,756,573
Social security costs	290,563	221,910
Other pension costs	86,372	67,637
	<u>3,690,689</u>	<u>3,046,120</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Tangible fixed assets

	Land and buildings	Leasehold property improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	398,251	1,376	236,034	635,661
Additions	-	-	38,966	38,966
Disposals	-	-	(38,436)	(38,436)
At 31 March 2023	398,251	1,376	236,564	636,191
Depreciation and impairment				
At 1 April 2022	38,586	649	144,368	183,603
Depreciation charged in the year	7,963	275	53,207	61,445
Eliminated in respect of disposals	-	-	(33,948)	(33,948)
At 31 March 2023	46,549	924	163,627	211,100
Carrying amount				
At 31 March 2023	351,702	452	72,937	425,091
At 31 March 2022	359,665	727	91,665	452,057

The charity's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2023 amounting to 42% (2022: 44%) of their net book value.

14 Stocks

	2023 £	2022 £
Donated goods received for distribution to service users	176,502	-

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	1,466,692	1,320,656
Other debtors	2,125	-
Prepayments and accrued income	90,075	51,653
	1,558,892	1,372,309

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	18	6,508	7,569
Other taxation and social security		64,853	53,236
Trade creditors		60,563	58,754
Other creditors		7	20,973
Accruals and deferred income		33,958	22,189
		<u>165,889</u>	<u>162,721</u>

17 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	18	<u>141,404</u>	<u>152,212</u>

18 Loans and overdrafts

	2023 £	2022 £
Bank loans	<u>147,912</u>	<u>159,781</u>
Payable within one year	6,508	7,569
Payable after one year	<u>141,404</u>	<u>152,212</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>112,231</u>	<u>118,282</u>

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2023	2023	2023	2022
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Tangible assets	425,091	-	425,091	452,057
Current assets/(liabilities)	3,020,917	-	3,020,917	2,640,052
Long term liabilities	(141,404)	-	(141,404)	(152,212)
	<u>3,304,604</u>	<u>-</u>	<u>3,304,604</u>	<u>2,939,897</u>

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	411,090	414,340
Between two and five years	352,896	395,996
	<u>763,986</u>	<u>810,336</u>

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	<u>59,192</u>	<u>53,428</u>

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

There were no other related party transactions to disclose.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22	Cash generated from operations	2023	2022
		£	£
	Surplus for the year	364,707	217,663
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,821)	(3,089)
	(Gain)/loss on disposal of tangible fixed assets	-	8,583
	Depreciation and impairment of tangible fixed assets	61,445	73,936
	Movements in working capital:		
	(Increase) in stocks	(176,502)	-
	(Increase) in debtors	(186,583)	(416,286)
	Increase in creditors	4,228	60,297
	Cash generated from/(absorbed by) operations	65,474	(58,896)

23	Analysis of changes in net funds	At 1 April 2022	Cash flows	At 31 March 2023
		£	£	£
	Cash at bank and in hand	1,430,464	20,948	1,451,412
	Loans falling due within one year	(7,569)	1,061	(6,508)
	Loans falling due after more than one year	(152,212)	10,808	(141,404)
		<u>1,270,683</u>	<u>32,817</u>	<u>1,303,500</u>



HOW TO SUPPORT

Causeway needs fundraisers and donors to support our work. Please visit our website to find out how you can support or donate: wearecauseway.org.uk/support-us

Causeway are continually looking to increase our impact and are looking for like-minded partners who seek to drive lasting change. Please visit our website to find out more: wearecauseway.org.uk/partnerships

Causeway are dedicated to raising awareness of modern slavery, human trafficking and criminal justice intervention, and creating impactful change UK-wide. Please check out our latest campaigns and find out how to get involved and spread the word: wearecauseway.org.uk/campaigns

To find out more about Causeway, the areas we work across or how you can support, please call us on **03333 055 336**, email us at info@wearecauseway.org.uk or visit our website: wearecauseway.org.uk

Please follow Causeway on Facebook, Twitter, Instagram and LinkedIn: [@CausewayCharity](https://www.instagram.com/CausewayCharity)

If you are a member of the public concerned that somebody may be involved in modern slavery or exploitation, you can call the UK Modern Slavery Helpline on **0800 0121 700**. You can also report concerns to the Gangmasters and Labour Abuse Authority on **0800 432 0804**.

If you believe somebody is in immediate danger you should call the police on **999**.

If you are a professional looking to refer a potential survivor of modern slavery into the National Referral Mechanism (NRM), please visit the government's online referral advice page: gov.uk/government/publications/human-trafficking-victims-referral-and-assessment-forms

CAUSEWAY

wearecauseway.org.uk

info@wearecauseway.org.uk

03333 055336

1st Floor, Furnival House,
Furnival Gate, Sheffield, S1 4QP

Causeway Charitable Services is a company limited by guarantee registered in England and Wales (no. 05396512) and a registered charity (no. 1110314). CAUSEWAY® is a registered trade mark with number UK00003869603.



CAUSEWAY

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Accounts

CHARITY REGISTRATION NUMBER 1110314

COMPANY REGISTRATION NUMBER 5396512

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Downes F R Smith G A Cheshire A Keramidas J M A Oswald M M Hamid	(Appointed 4 May 2022) (Appointed 30 June 2022) (Appointed 3 August 2022)
Secretary	D L Noble	
Chief executive officer	E Newton	
Charity number	1110314	
Company number	5396512	
Principal address	1st Floor Furnival House Furnival Gate Sheffield South Yorkshire S1 4QP	
Registered office	1st Floor Furnival House Furnival Gate Sheffield South Yorkshire S1 4QP	
Auditors	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
Bankers	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV	
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN	

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

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CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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

The charity's objects are:

- to relieve poverty and to promote the education and training of the inhabitants of the cities of the north of England who through their social and economic circumstances are in need and unable to gain employment and in particular to promote and support schemes where such people may receive training for and placement in employment;
- to advance education and to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objects of improving the conditions of life of the inhabitants of the area of benefit;
- to relieve the need of persons who are homeless, in housing need, hardship or distress by providing accommodation; and
- to provide or assist in the provision of facilities for the daily care and recreation of children during out of school hours and holidays so as to promote their physical and mental health.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Trustees' current strategies for carrying out these Objectives are advanced through the following activities:

- providing short-term specialised support and accommodation for men, women and families rescued from Modern Slavery across the North-West and North-East of England and South Yorkshire;
- providing long-term support for survivors of Modern Slavery living in the community with a specific focus on integration, independence and rehabilitation;
- providing support to ex-offenders and those at risk of offending in order to reduce violence and help individuals live crime free futures; and
- providing support locally and globally to use the experience gained within City Hearts (UK) (now Causeway) to develop partnerships to enable other charities to restore the lives of vulnerable and exploited individuals.

As outlined below, this year we have reflected on our purpose, vision, values and strategy. Therefore, in accordance with best practice, the Trustees are consequently reviewing the charity's objectives and aim for this process to be completed by the end of March 2023.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Our services to support and protect marginalised and vulnerable people continued to grow and strengthen this year; this was despite the remaining impact of the coronavirus pandemic on the UK. 2021 was the first year of delivering support as part of the new Modern Slavery Victim Care Contract in partnership with the Salvation Army. April 2021 was also the first year of delivering contracted support across multiple regions for those with experience of the criminal justice system.

Modern Slavery

Much of our impact, work, and services focus on survivors of Modern Slavery. We seek to prevent the re-exploitation of survivors, protect them while they recover, and support their progression back into society – as they realise their hopes and ambitions.

Access: Safehouses and Community Support

Access ensures survivors of modern slavery have the support and accommodation they need following their trafficking experience. Depending on an individual's needs, this could be in one of our safe houses, or within appropriate accommodation in the community. Access provides a space for recovery and place to make progress and build relationships. Through these services, we offer vital support including helping survivors access emergency medical treatment, dental care, counselling, police and legal support, English classes, further education, bank accounts and ID. The focus is not only on protection and support, but also on independence and helping survivors move forward in freedom.

Our safehouses are situated across the North of England; this year we have opened two new safehouses and now have over 100 bed spaces available to receive and support survivors. From April 2021 to March 2022, we supported 158 individuals alongside their dependants. Our community support is delivered across the North West, North-East, and South Yorkshire areas, and throughout the year we have supported 805 survivors and 200 dependants in the community. Access is delivered as part of the Home Office-funded Modern Slavery Victim Care Contract, complies with a number of ISO standards, and is fully audited by the Care Quality Commission and the Salvation Army.

A service user supported through Access said: 'City Hearts [now Causeway] has made a big difference in my life. Without them I would never have felt confident and safe. They supported me emotionally, and they helped me move forward, step by step, and believe in myself again.'

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Integration Support Programme and Community Connections

The Integration Support Programme, now known as LifeLine, was developed by the charity as a way of addressing the very real needs of service users who had left the Government's support for survivors, but who were struggling to move on from their exploitation. Service users are able to access our support whenever they need to, which acts as a vital source of emotional comfort for some survivors as they know there is always someone they can rely upon for help. The service has continued to expand and flex its support to meet the ever-changing needs of our service users. As the largest and most-established post-NRM long term support for survivors of Modern Slavery, the service now supports over 300 individuals across the UK. This year we also pioneered delivering the Integration Support Programme as a hybrid wrap-around service, alongside the new government-funded long term support for survivors.

Our Community Connections programme, now known as LifeLink, has taken steps to increase its services as we come out of Covid. Groups have provided a space for service users to create community, educational experiences and become more independent. This year we have pioneered community trips which have built confidence and created positive and aspirational experiences.

A service user shared: "City Hearts [now Causeway] helped and supported me for more than three years. They helped me with money, college, and my mental health, which I really appreciate. In my hardest moments they were there for me."

Bright Future

Bright Future was developed by the charity as a partnership with the Co-op in 2017 as a way of fast-tracking survivors of modern slavery into secure employment. After a successful three years of growth, it became an independent cooperative in 2019, whose members include the businesses who provide job opportunities and placements and the charities who refer survivors into the programme. Throughout this year, we continued to deliver the 'National Matching Service' on behalf of Bright Future and since 2017 we have supported 76 service-users to complete placements and 55 have been offered and accepted permanent positions: a 70% success rate.

A team leader reflected on the services delivered throughout City Hearts (now Causeway): 'We're not here just for the short-term, we're here for the long-term. We're all about lasting and meaningful change.'

Criminal Justice

About Face, now known as LifeNavigate, supports those with experience of the criminal justice system who are looking to rehabilitate and step away from criminality. Working predominantly with those who have committed more minor offences and younger people, and sometimes at the point of custody, our team of Navigators address the underlying issues which often contribute to people's offending. These include trauma, substance misuse, mental and physical health issues, housing or homelessness, or problems with relationships or money.

Across the Liverpool region, we are contracted by Merseyside Police to deliver the Merseyside Deferred Prosecution Scheme. The scheme works with males, aged 18-25, who have committed minor offences, and aims to reduce re-offending rates. This is done by offering individuals the chance to engage with a 12-week programme. This year we have engaged with 297 individuals through the scheme: 98% of participants rated their experience with us positively and 93% stated that the scheme would help them avoid re-offending in the future.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Data analysis conducted by Merseyside Police concluded: "Based on the feedback and data this provision of early support should enable offenders to contribute more to society, gain independence and need to rely less on support services and partner agencies from courts to the NHS."

In South Yorkshire, the Violence Reduction Unit contracts us to deliver 'Plan B'; our navigators visit people held in custody suites across South Yorkshire and offer them the chance to engage with support, and address any issues that led to their offending. This year over 2424 detainees were given advice and guidance, 350 engaged directly with the service, and 93 worked with our Navigators in the community. Independent data analysis of the most recent data shows that this service led to a measurable and significant reduction in reoffending. It also reported significant cost-benefit savings for the taxpayer.

A service user, supported through Plan B said: "I was in the cells and Mark the Navigator approached me, and talked to me like anyone else. He didn't think I was just a criminal, he actually talked to me with respect. Without the help from Plan B I don't know what I would have done. They have been paramount through my journey."

Voice and Influence

As a charity, we seek to free marginalised and vulnerable people to 'find their voice, in a society that values their place'; voice and influence is therefore a central part of our activities and achievements. This year we began to intentionally expand our focus beyond support to prevention and influence, as well as seeking to enhance the voice of those we support, particularly survivors of Modern Slavery.

Service-User Voice

Empowering the voices of survivors of modern slavery has and will continue to be a priority for us. Over the year we have had survivors speak on podcasts, at virtual events, our own impact events and we had two survivors speaking at the first ever Ripples of Hope festival in Manchester. We are also pleased to have successfully recruited a survivor on to the board of trustees, to ensure the voice and perspective of our service users influences at the heart of decision-making (appointed August 2022).

Additionally, during the review and development of our organisational strategy, we sought the views and insights of our service-users through interviews and focus groups and we have taken opportunities to engage in research that focused on survivor voice, and service-user experience.

A City Hearts (Causeway) advocate said: 'What's important to me as a case worker is being able to give someone their self-worth back, being able to give someone their self-confidence back, and remind them that they have a choice in how they live their lives.'

Influence

This year more than ever we have sought to influence society for the benefit of marginalised and vulnerable people. We have submitted case studies, contributed to policy papers, petitioned central government, written open letters with partners and publically raised concern where relevant. We sought to influence and improve policy in a number of areas, with a focus on support for survivors of modern slavery, the Nationality and Borders Bill (now Act), as well as digital inclusion and access for refugees and vulnerable people.

We increased our investment into social media channels to raise public awareness regarding modern slavery and criminal justice, and to proactively empower our service users to share their story and voice, as and when they feel comfortable.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Most notably around a high profile modern slavery case, where we had previously supported the vulnerable individual involved, we were mentioned in 21 online publications, including the Telegraph, Guardian, Daily Mail and Sky News, including multiple live television and radio interviews. This helped raise regional and national awareness around modern slavery issues.

In 2021 we also joined the Coalition to Stop Slavery, a unique coalition of UK-based voluntary, community and statutory groups whose goal is to end modern slavery and human trafficking for good. The coalition works together to raise awareness around modern slavery and influence public behaviour, business practice and government policy.

We continue to strengthen our involvement in multiple modern slavery partnerships across the North of England alongside public, private, and third sector organisations. In doing so, we seek to enhance the support we deliver through partnership working and collectively amplify our voices to influence for positive change.

Impact Meetings

Throughout 2021-2022 we hosted a number of online events, with the goal of increasing engagement, building support, and empowering survivor voice. The events saw on average 55 people in attendance with key attendees including the Home Office, the Human Trafficking Foundation, Local Authorities, NGOs, Businesses, Universities and Research Labs. Alongside service-users and supporters, notable speakers at these events include the former Independent Anti-Slavery Commissioner, and senior leaders from the Gangmasters and Labour Abuse Authority.

Research and Development

From small innovative projects 'piloting' a new idea, to research partnerships aiming to inform policy and practice across the UK, research and development are both key to increasing our impact for the benefit of marginalised and vulnerable people.

Restoration Hub

With kick starter funding from a successful Sofa to Summit fundraising campaign, we launched the Restoration Hub, now known as LifeSupply; beginning by recruiting a coordinator and identifying a location in Liverpool that would house all donated items. The Restoration Hub benefited from a further successful community campaign in Sheffield with Business in the Community and Sheffield Businesses Together. As part of an anti-slavery-day campaign, October 2021 saw 1400 items donated to the value of £4,000, with Aldi committing further support to the Hub by offering quarterly donations from their middle aisle. At the time of writing this report the project has received over 6,000 items with an equivalent value of £273,239, handing out 2177 items to service users.

The Managing Director of Corporate Responsibility at Aldi UK, said: "The importance of what City Hearts does can't be overestimated and we are glad to be able to support them as part of our commitment to the empowerment of women and human rights."

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Ingredients For Life

Ingredients for Life is an innovative health and wellbeing initiative supported by Asda, to help survivors of Modern Slavery develop cooking skills and reduce the impact of past trauma on their day to day lives. During the year the project moved through its 2nd phase piloting of a digital hybrid course which achieved effective demonstrable outcomes. Asda donated funding for further development and we are continuing to work with them in designing a toolkit and training video, while seeking to expand the model and partnerships with selected businesses, to invest for scale.

A service user said: "I forgot my past and got courage to move on. And I will do. Thanks to all of you, I will never forget these sessions."

Research

We continued to focus on a number of initiatives and opportunities in this area. As the Home Office reviewed its Modern Slavery strategy, we secured the opportunity to lead survivor engagement in this process, supporting the interviews and contribution of over 130 survivors. Additionally, we worked with Trilateral Research to analyse the CRM data we have on long-term support for survivors. This confirmed we have 38,000 data lines on survivor recovery needs, which is the largest data set outside of the government, and we plan to work with Trilateral Research and others to use this data to inform policy and practice throughout the sector. The University of Liverpool funded and began an independent review of the Integration Support Programme (LifeLine), which was conducted in 2022.

The University of Liverpool's research stated: "The evidence presented here shows that, based on our research, the service has developed and responded to significant challenges (including the pandemic) in an innovative and effective way because of how it is designed and delivered. There are areas where services could be further strengthened, or expanded, and it is important to note the ongoing and significant issues faced by people leaving the [National Referral Mechanism], but LifeLine has become an essential service for this growing group of individuals."

Our partners work in Accra, Ghana

We have supported City Hearts Africa's successful transition to an independent charity with its own board and strategy, having completed the UN funded victim project. The UN project saw 101 survivors of modern slavery receive a hamper, providing practical support tailored to their needs. Twenty-one survivors also received psychological assistance, with 78 individual and group therapy sessions delivered throughout the duration of the project. In addition capacity training sessions were provided to nine different shelters and Non-Governmental Organisations (NGOs), with a total of 102 participants.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Organisational Development - Foundation for the Future

As a foundation for delivering excellence through our services and in view of future growth, we have prioritised and driven organisational development this year. In particular this development has focussed upon the following key areas:

Organisational Capacity

- The development of a Chief Operating Officer role, who oversees the general day-to-day operations of the Charity.
- The development of a Head of Communications and Engagement role, to ensure the charity communicates strategically and effectively.
- The creation of Senior Service manager roles, to ensure services run effectively and meet the needs of our service users and all contractual KPI's.
- The appointment of three new trustees to increase expertise and improve strategic decision making across the Charity.
- Focussed training and development of all staff, including all managers and senior leaders.

Risk Management

Safeguarding

- Strengthened our safeguarding reporting, with regular reports and strategy updates to our Management Board and Trustees from our Safeguarding Lead.
- Invested in expert qualification training for our Safeguarding Lead, and other relevant staff.
- Increased and strengthened Safeguarding training across the organisation.

Health and Safety

- Developed, implemented, and embedded Health and Safety Management system.
- Invested in expert qualification training for Health and Safety Lead, and other relevant staff.
- Due to contractual requirements, met majority of ISO 45001 requirements, as reviewed externally.
- Implemented a robust system of internal and external audits relating to our accommodations, offices and Health and Safety, supported by external consultants, Wirehouse Employer Services.

Business Continuity

- Strengthened and expanded our Business Continuity Policy, Procedure and Plans.
- As part of contractual requirements, met majority of ISO 22301 requirements, reviewed externally.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Infrastructure

- Developed a consistent and robust annual policy management system to ensure policies are reviewed regularly, and disseminated appropriately.
- Further strengthened our new service and accommodations processes to ensure timely and thorough compliance with Health and Safety, legislative and contractual requirements, when developing new services.
- Significantly increased our IT and Information Security capacity to meet contractual Information Security
- Developed and began to implement our Environmental Management System, meeting the majority of ISO 14001 requirements, as reviewed externally.

People and Culture

- Improved employee experience and retention through Staff Development Scheme – an initiative to support staff retention, allowing employees to opt into paid specialist training in an area of their choosing after 2 years of service, and long-term commitment to hybrid working model.
- Launched online recruitment platform to streamline the application process and widen candidate pool. This includes anonymization software, therefore removing risk of unconscious bias towards prospective candidates
- Strengthened Staff Policy entitlements, to align with best practice. Including Pregnancy Loss Policy, IVF Policy, Menopause Policy, strengthened Dignity at Work Policy.
- Strengthened Learning & Development processes - migration of Staff Supervision & Appraisal processes into HRIS system which allows for greater monitoring and auditing purposes. Continued to enhance annual training plan through development of internal specialisms through Train the Trainer courses and Training Committee. Launched quarterly induction training days to enhance the on-boarding and learning experience for new starters. Launched Management Mentoring Groups for all those in senior positions, to ensure development opportunities.
- Conducted salary reviews across the organisation through a benchmarking and cost of living consideration exercise.

Financial review

The trustees make strategic decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them. They do not however carry out the routine day to day management of the charity, for which the budget leader for each department is responsible.

City Hearts (UK) received £6,469,485 (2021: £6,144,150) of income during the financial year to 31 March 2022 and expended £6,251,822 (2021: £5,258,401), showing a surplus of £217,663 (2021: £885,749). The principal sources of funds are disclosed in notes 3-4 to the accounts.

At 31 March 2022 the charity's reserves were at £2,939,897 (2021: £2,722,234), all of which were unrestricted. The charity's freely available unrestricted reserves at 31 March 2022 were £2,640,052. In line with good practice and our policy, City Hearts (now Causeway) seeks to hold between 3 and 6 months of current operating costs in reserve for unforeseen circumstances, to enable the charity to continue to operate in such circumstances. On that basis, the trustees have identified that the reserves are at a reasonable level.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

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

Given that City Hearts has received the backing of the Salvation Army as a subcontractor until at least the end of June 2025, we have looked to continue to build reserves to bring security and stability to cover us for any unforeseen circumstances and to ensure there are no cash flow issues going forward. The greatest risk to the charitable company is the loss of the contract with the Salvation Army and the trustees are looking at alternative plans should this happen.

Structure, governance and management

The charity is a company (number 5396512) limited by guarantee under the provisions of the Companies Act 2006. The company does not have any share capital. The company became a registered charity (number 1110314) in July 2005.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

K Downes

N P Anumba

(Resigned 25 March 2022)

J D Houghton

(Resigned 2 April 2021)

F R Smith

G A Cheshire

There are at least three Managing Trustees at any one time. The Trustees are also Directors for the purposes of company law. All of the Trustees are members of the company. None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Our trustee board has continued to strengthen this year. G A Cheshire's appointment at the end of March 2021 has been a critical part of this, adding significant expertise and experience in strategic development, change and project management, as well as staff development and training. These skills have been developed over the course of forty years in positions, including senior roles, in the police force, and now as Head of Operations at British Red Cross.

Following a vote of the trustees, G A Cheshire was appointed Chair of Trustees from 1st April 2022. We are grateful to K Downes, for his commitment and expertise leading our Board of Trustees. K Downes continues as part of the trustee board.

The Trustees have been determined to strengthen our Board to further develop expertise, increase diversity and ultimately improve decision making. In Quarter three, we therefore embarked on a trustee recruitment process, advertising using an external platform. In line with our Trustee On-boarding procedure, prospective applicants were interviewed by the Chief Executive and Chair of Trustees, with due diligence being carried out. We can report that, since March 2022, three new trustees have been appointed. They bring significant expertise across Safeguarding, Finance and Equality Diversity and Inclusion. We are also delighted to report that a survivor of Modern Slavery, and former service user, has been welcomed onto our Board. Their voice is essential, as we seek to ensure the voices of the people we support is heard and sits at the heart of decision making, in order to positively shape our work and society going forward.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

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

The trustees continue to seek to strengthen the board, particularly with legal, policy, business development and fundraising expertise.

As permitted by the Charities Act, and our charity's Articles, "Keep Your Fork", of which F Smith is Managing Director, was contracted to deliver PR and marketing services to the charity in return for payment. In line with best practice and our Conflict of Interest policy, the Directors managed such conflict, ensuring F Smith was not part of any relevant discussions or decision making. They also ensured the contract, as well as the services provided were in the best interests of the charity and that the level of the remuneration was reasonable in relation to the value of the services provided. In line with our policy, we can confirm that "Keep Your Fork" received £11,145 in remuneration. From 1st April 2022, Keep Your Fork no longer provided PR and marketing services to the charity, as we have sought to develop internal capability.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Strategic Review

The organisational development outlined above puts the Charity in good stead to expand its impact and grow in the coming years. In anticipation of that growth, it was vital to fundamentally reflect on the charity's purpose, vision, values and strategy. This would ensure absolute clarity on what we seek to achieve, the impact we will make and how we will create it. It would also ensure that our purpose and strategic objectives were relevant in a 'post-pandemic' society. We therefore committed to a thorough re-appraisal.

This process was to be welcomed, as the Charity had experienced significant change over the previous years. This re-appraisal was not therefore about forgetting where the Charity had come from or what it had been through, as we have sought to ensure every challenge in the Charity was used to drive improvement, develop culture and take action. Indeed, those challenges have acted as a catalyst for change and have prompted deep and fundamental reflection.

Out of the process, we sought to gain clarity around what we stood for and a renewed and complete strategy for the next 5 years, with goals and commitments that create positive impacts and equip us to take a leadership role in meeting the ever increasing needs of society. We also needed to find a way to tell our story that connects with the hearts and mind of all our stakeholders, so that we could be an influential voice for change.

The process was carried out with the support of external consultants, and was built upon the voices and insights of all of our staff, service users and trustees. We have also consulted with partners, including representatives of NGO's, Police, Local Authority, Government Departments, Universities and Business. Those conversations were critical in steering our direction and renewing our ambition.

The Charity now has a renewed strategy, purpose, vision and values, which are outlined below. Our renewed ambition is also reflected in a new name 'Causeway' which captures what we do, how we do it and why we do it.

Our Purpose

To free marginalised and vulnerable people to find their voice, in a society that values their place.

Our Vision

Our vision is to ensure a thriving future for marginalised and vulnerable people, including survivors of slavery and exploitation.

This will be achieved through delivering excellence, pioneering new ideas for lasting change, and partnering for influence and greater visible impact. As we work to prevent, support and protect these people from the cycle of crime and exploitation, we will empower our clients' voices alongside our own whilst helping them make progress.

As a result, we will be recognised as the go-to and trusted organisation that frees marginalised and vulnerable people to contribute to a society that hears their voices and sees their value; thereby creating a safer and more understanding society for all.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Our Values

We respect the person

It starts with believing in people, seeing beyond their circumstances, being a champion for consistent support, and always being honest. We do what we say we will do, acting within boundaries as we respect people's identities, voices and personal choices. Because for us, there is no mutual respect without self-respect.

We do things right

We never let being professional get in the way of our compassion. So, our approach is transparent, well-informed, and yet always personal. We take responsibility for our actions and are accountable to our high standards as well as those of others.

This means that we can be relied on to deliver excellence, and go above and beyond what's required to do what's really needed.

We create change

Diverse and open-minded, we always look for new, better ways to help and create the change we want to see in society. We're approachable and welcome feedback, strengthening relationships as we consider people's many perspectives. And we don't wait for change but go towards it to respond to needs.

We come through together

United in our purpose, we overcome obstacles and stride towards positive outcomes. Our resilience gives us confidence to adapt and persist. We don't give up on people, each other, or on our shared goals, and progress together.

Our Strategic Objectives

1. Delivering excellence, pioneering new ideas for lasting change, and partnering for influence and greater visible impact.
2. Working to prevent, support and protect people from the cycle of crime and exploitation.
3. Empowering our service users' voices alongside our own for a fairer society.

Causeway is a safe place, a means of passage from one place in life to another, a bridge into society, a stepping place for people's life aspirations and ambitions, and a means of support, with a destination in mind. Believing in the power of lasting change, Causeway takes people from existing to living, helping them to make progress, towards a thriving future.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

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

For the good of all our stakeholders, especially those we support, we will now work to diversify our income streams to be a lasting and dependable organisation and ensure we are positioned to develop and deliver innovative programmes that bring lasting change to the people we support and society.

In so doing, we are grateful for the support and drive of a skilled and experienced team, and work from a place of organisational strength, as we build upon the outstanding work that has been delivered over the previous years. We look forward to increasing our impact, as we develop critical partnerships which bring lasting change for people who are marginalised and vulnerable and society.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

The trustees' report was approved by the Board of Trustees.



G A Chesmire

Trustee

Dated: 22 December 2022

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Causeway Charitable Services (Formerly City Hearts (UK)) for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

In preparing these accounts, 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

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S8 0XF

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

Opinion

We have audited the financial statements of Causeway Charitable Services (Formerly City Hearts (UK)) (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK)) CONTINUED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK)) CONTINUED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK)) CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Roland Givans (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

22 December 2022

Chartered Accountants
Statutory Auditor

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>			
Grants and donations	3	151,074	244,413
Charitable activities	4	6,315,322	5,895,596
Investments	5	3,089	4,141
Total income		6,469,485	6,144,150
<u>Expenditure on:</u>			
Raising funds	6	14,808	3,685
Charitable activities	7	6,237,014	5,254,716
Total expenditure		6,251,822	5,258,401
Net incoming resources before transfers		217,663	885,749
Net movement in funds		217,663	885,749
Fund balances at 1 April 2021		2,722,234	1,836,485
Fund balances at 31 March 2022		2,939,897	2,722,234

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

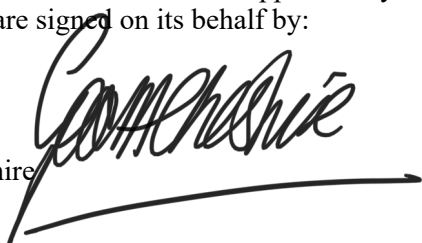
BALANCE SHEET

AS AT 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		452,057		520,296
Current assets					
Debtors	14	1,372,309		956,023	
Cash at bank and in hand		1,430,464		1,508,974	
		2,802,773		2,464,997	
Creditors: amounts falling due within one year	16	(162,721)		(102,034)	
Net current assets			2,640,052		2,362,963
Total assets less current liabilities			3,092,109		2,883,259
Creditors: amounts falling due after more than one year	17		(152,212)		(161,025)
Net assets			2,939,897		2,722,234
Income funds					
Unrestricted funds			2,939,897		2,722,234
			2,939,897		2,722,234

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

G A Cheshire
Trustee



Company Registration No. 5396512

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(58,896)		828,858
Investing activities					
Purchase of tangible fixed assets		(14,280)		(112,645)	
Interest received		3,089		4,141	
Net cash used in investing activities			(11,191)		(108,504)
Financing activities					
Repayment of bank loans		(8,423)		(8,293)	
Net cash used in financing activities			(8,423)		(8,293)
Net (decrease)/increase in cash and cash equivalents			(78,510)		712,061
Cash and cash equivalents at beginning of year			1,508,974		796,913
Cash and cash equivalents at end of year			1,430,464		1,508,974

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Causeway Charitable Services (Formerly City Hearts (UK)) is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Furnival House, Furnival Gate, Sheffield, South Yorkshire, S1 4QP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold property improvements	33% Straight line
Fixtures, fittings & equipment	20% Straight line/33% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Grants and donations

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	82,544	244,413
Grants receivable	68,530	-
	<u>151,074</u>	<u>244,413</u>

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Services provided under contract and other charitable activities	6,315,322	5,895,596

5 Investments

	2022 £	2021 £
Interest receivable	3,089	4,141

6 Raising funds

	2022 £	2021 £
<u>Fundraising and publicity</u>		
Advertising	2,385	3,685
Staff costs	12,423	-
Fundraising and publicity	14,808	3,685
	14,808	3,685

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	3,033,697	3,238,562
Depreciation	73,936	53,863
Repairs and maintenance	166,730	104,446
Telephone	60,969	111,770
Training costs	61,599	25,439
Motor and travel expenses	126,774	137,184
Rent, charges and accommodation	606,371	458,007
Insurance	28,849	17,228
Legal and professional fees	201,385	155,549
Bank interest and charges	6,821	10,710
Sundry expenses	57,083	50,709
Light and heat	82,282	54,295
Rates	39,317	30,883
Food and drink	24,235	19,285
Activities and outings	9,241	7,737
Printing, postage and stationery	11,137	16,808
IT expenses	198,856	86,859
Cleaning	49,886	36,541
Licences and subscriptions	988	14,656
Allowances	1,319,511	619,018
City Hearts Africa	63,994	-
Loss on disposal of fixed assets	8,583	-
	<u>6,232,244</u>	<u>5,249,549</u>
Grant funding of activities (see note 8)	1,110	1,567
Share of governance costs (see note 9)	3,660	3,600
	<u>6,237,014</u>	<u>5,254,716</u>
Analysis by fund		
Unrestricted funds	<u>6,237,014</u>	<u>5,254,716</u>

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

	2022 £	2021 £
Grants to institutions:		
Other	1,110	1,567
	<u>1,110</u>	<u>1,567</u>

9 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Audit fees	-	3,660	3,660	-	3,600	3,600
	<u>-</u>	<u>3,660</u>	<u>3,660</u>	<u>-</u>	<u>3,600</u>	<u>3,600</u>
Analysed between						
Charitable activities	-	3,660	3,660	-	3,600	3,600
	<u>-</u>	<u>3,660</u>	<u>3,660</u>	<u>-</u>	<u>3,600</u>	<u>3,600</u>

Governance costs includes payments to the auditors of £3,660 (2021: £3,600) for audit fees. Other costs includes payments to the auditors of £3,660 (2021: £3,600) for other services.

10 Trustees

F R Smith controls another company that during the period since she became a trustee received £11,145 (2021: £8,348) for marketing services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charity during the year and no trustee expenses have been incurred.

The charity's Memorandum and Articles of Association expressly permits trustees to be remunerated provided certain conditions are met.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employees	135	152
Trustees	4	4
	<u>139</u>	<u>156</u>

Employment costs

	2022 £	2021 £
Wages and salaries	2,756,573	2,942,041
Social security costs	221,910	222,073
Other pension costs	67,637	74,448
	<u>3,046,120</u>	<u>3,238,562</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

	Land and buildings	Leasehold property improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2021	398,251	1,376	273,788	673,415
Additions	-	-	14,280	14,280
Disposals	-	-	(52,034)	(52,034)
At 31 March 2022	398,251	1,376	236,034	635,661
Depreciation and impairment				
At 1 April 2021	30,623	374	122,122	153,119
Depreciation charged in the year	7,963	275	65,698	73,936
Eliminated in respect of disposals	-	-	(43,451)	(43,451)
At 31 March 2022	38,586	649	144,369	183,604
Carrying amount				
At 31 March 2022	359,665	727	91,665	452,057
At 31 March 2021	367,628	1,002	151,666	520,296

The charity's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2022 amounting to 44% (2021: 47%) of their net book value.

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	1,320,656	801,222
Other debtors	-	132,301
Prepayments and accrued income	51,653	22,500
	1,372,309	956,023

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Loans and overdrafts

	2022 £	2021 £
Bank loans	159,781	168,204
Payable within one year	7,569	7,179
Payable after one year	152,212	161,025
Amounts included above which fall due after five years:		
Payable by instalments	118,282	128,841

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	15	7,569	7,179
Other taxation and social security		53,236	-
Trade creditors		58,754	69,946
Other creditors		20,973	6,364
Accruals and deferred income		22,189	18,545
		162,721	102,034

17 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	15	152,212	161,025

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	396,940	154,800
Between two and five years	844,061	500,892
	<u>1,241,001</u>	<u>655,692</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>48,192</u>	<u>48,446</u>

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

There were no other related party transactions to disclose.

CAUSEWAY CHARITABLE SERVICES (FORMERLY CITY HEARTS (UK))

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Cash generated from operations	2022 £	2021 £
Surplus for the year	217,663	885,749
Adjustments for:		
Investment income recognised in statement of financial activities	(3,089)	(4,141)
Loss on disposal of tangible fixed assets	8,583	-
Depreciation and impairment of tangible fixed assets	73,936	53,863
Movements in working capital:		
(Increase)/decrease in debtors	(416,286)	44,704
Increase/(decrease) in creditors	60,297	(84,186)
(Decrease) in deferred income	-	(67,131)
Cash (absorbed by)/generated from operations	(58,896)	828,858
21 Analysis of changes in net funds		
	At 1 April 2021 £	Cash flows £ At 31 March 2022 £
Cash at bank and in hand	1,508,974	(78,510) 1,430,464
Loans falling due within one year	(7,179)	(390) (7,569)
Loans falling due after more than one year	(161,025)	8,813 (152,212)
	<u>1,340,770</u>	<u>(70,087)</u> <u>1,270,683</u>

Accounts

CHARITY REGISTRATION NUMBER 1110314

COMPANY REGISTRATION NUMBER 5396512

CITY HEARTS (UK)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CITY HEARTS (UK)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Downes N P Anumba F R Smith G Cheshire (Appointed 24 March 2021)
Secretary	D L Noble
Chief executive officer	E Newton
Charity number	1110314
Company number	5396512
Principal address	1st Floor Furnival House Furnival Gate Sheffield South Yorkshire S1 4QP
Registered office	1st Floor Furnival House Furnival Gate Sheffield South Yorkshire S1 4QP
Auditors	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF
Bankers	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN

CITY HEARTS (UK)

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CITY HEARTS (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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

The charity's objects are:

- to relieve poverty and to promote the education and training of the inhabitants of the cities of the north of England who through their social and economic circumstances are in need and unable to gain employment and in particular to promote and support schemes where such people may receive training for and placement in employment;
- to advance education and to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objects of improving the conditions of life of the inhabitants of the area of benefit;
- to relieve the need of persons who are homeless, in housing need, hardship or distress by providing accommodation; and
- to provide or assist in the provision of facilities for the daily care and recreation of children during out of school hours and holidays so as to promote their physical and mental health.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Trustees' current strategies for carrying out these Objectives are advanced through the following activities:

- providing short-term specialised support and accommodation for men, women and families rescued from Modern Slavery across the North-West and North-East of England and South Yorkshire;
- providing long-term support for survivors of Modern Slavery living in the community with a specific focus on integration, independence and rehabilitation;
- providing supported accommodation to women who want to make positive lifestyle changes and who are overcoming issues, such as drug and alcohol addictions, self-harm, depression and eating disorders;
- providing support to ex-offenders and those at risk of offending in order to reduce violence and help individuals live crime free futures; and
- providing support locally and globally to use the experience gained within City Hearts (UK) to develop partnerships to enable other charities to restore the lives of vulnerable and exploited individuals.

In accordance with best practice and as part of reflecting on our purpose, the Trustees are currently reviewing the charity's Objects.

CITY HEARTS (UK)

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

Achievements and performance

We are pleased to report that City Hearts' services and programmes have gone from strength to strength, in spite of the various challenges through the past year.

OUR MODERN SLAVERY WORK

Safehouses and Outreach

We have continued to deliver and expand our outstanding support to survivors of modern slavery. In January 2021, City Hearts began to deliver the new Modern Slavery Victim Care Contract, on behalf of the UK Government, as a subcontractor to the Salvation Army. This was a continuation and further expansion of the support delivered as part of the National Referral Mechanism (NRM) over the last 10 years. The NRM is the Home Office's framework for identifying potential victims of modern slavery and providing appropriate support. Our support is delivered across the North West and North East of England as well as South Yorkshire and is delivered through safe house accommodation and Outreach services, supporting survivors of slavery from the moment of rescue from their exploitative situation.

Through these programmes, we offer vital support including helping survivors access emergency medical treatment, dental care, counselling, police and legal support, English classes, further education, bank accounts and ID.

The number of survivors supported through our Outreach support, and the associated geographical regions within which we deliver this support has increased throughout 2020-2021, and significantly since January 2021. We have also opened a number of new or expanded safe houses in the North West and North East of England. In total, we are now working with almost 700 survivors at any one time, as part of these programmes.

One of those survivors supported by City Hearts said, "The City Hearts staff stood by me as I relived my experience to the police. They never left my side through the whole process. I felt so supported. I was assisted in closing the fraudulent accounts I had been forced to open, helped in clearing my record, and was aided in sorting out my teeth as they needed urgent attention. I also got a chance to go to English classes. I feel so much more confident now when I meet and talk to new people. I can attend appointments on my own, and can even help my new friends with the things I have learnt at City Hearts. My whole outlook has changed. I now look at people with love and I want to build a life that I can invite my family to be a part of again. It felt like my life was impossible and that it could never change, but it has, completely."

CITY HEARTS (UK)

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

Integration Support Department

City Hearts Integration Support Programme continues to provide long-term support to survivors of modern slavery after they have exited safe house or our Outreach services. The programme acts as a safety net and aims to prevent vulnerable survivors from falling into re-trafficking and homelessness.

This year, we had 148 referrals into the Integration Support Programme, and have supported in excess of 250 survivors throughout the year; with over 4,000 individual survivor needs met.

Within this department, City Hearts also provides additional holistic support to survivors across all regions through our Health and Wellbeing programme. This includes assisting survivors' recovery by providing access to a community based 'drop-in' which provides social and educational activities, or trips to local areas of interest, such as parks and beaches. As noted above, our Health and Wellbeing support has been adapted this year to include wellbeing walks, gym classes in safe houses as well as online support sessions.

A City Hearts Service Manager, said: "Our goal in the Health and Wellbeing team is to help clients develop a sense of community and build confidence, whilst reminding them they are valued. We try to choose fun locations that will provide clients with life long memories. It has been such a joy to see survivors enjoying socialising again."

A client who visited Anfield Stadium with the Health and Wellbeing Team, said: "I was too excited to sleep as I was so excited for the trip. These good memories make me happy when I am feeling down."

CITY HEARTS (UK)

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

Bright Future

Bright Future was developed by City Hearts alongside the Co-op in 2017; the now-globally recognised programme was created to remove barriers to employment, accelerating survivors towards a brighter future. Bright Future is now an independent cooperative, and we continue to operate the National Matching Service, matching survivors with employment opportunities in businesses. It provides a fast track into work with major companies on a human rights basis, and sustainably combats modern slavery, reducing exploitation by partnering effectively with the private sector.

A client of City Hearts who found work with the Co-op through Bright Future said: “I wasn’t in a good place when I met City Hearts. I was in pain. I was scared to have a relationship with them as I couldn’t believe they wanted to do good for me, but they gave me the confidence I didn’t have. I would have struggled without them. I’ve had a long dark story, but one day I hope I can become a social worker so I can help other people.”

The global pandemic has undoubtedly created challenges for many partnership programmes and Bright Future has been no exception. In the year to March 2021, six placements were made. This reduction was largely due to under-pressure companies being unable to facilitate placements. However, five placements were successfully completed with three survivors securing permanent employment at that business.

We wish to express our gratitude to those businesses who have supported survivors of modern slavery by delivering work placements and employment opportunities or by supporting us in our work.

Particular thanks goes to the Co-op for their pioneering spirit and their continuing role in the development of Bright Future, Tony’s Chocolonely for providing free chocolate bars which form part of our welcome packs for survivors upon entry into our safe houses, and Aldi, who have generously supported us with gifts-in-kind and financially.

The Managing Director of Corporate Responsibility at Aldi UK, said: “The importance of what City Hearts does can’t be overestimated and we are glad to be able to support them as part of our commitment to the empowerment of women and human rights. In these difficult times, it’s important for us all to look after the most vulnerable in our communities, and the care and guidance City Hearts provides those who are in such a difficult situation is invaluable.”

Modern Slavery Partnerships & Advocacy

This year, despite the pandemic, we have developed and strengthened our involvement and engagement with multiple Modern Slavery Partnerships across the areas we work in. These partnerships involve effective collaboration between third sector organisations and businesses, alongside statutory organisations such as law enforcement, local authorities and local representatives of the Department for Work and Pensions. We engage in and support these partnerships as we seek to work alongside others to develop better support for survivors, and prevent slavery and trafficking. This work involves effective stakeholder engagement, enhancing the support we deliver through partnership work, and advocating for positive change on behalf of our clients at a local and national level.

CITY HEARTS (UK)

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

OUR VIOLENCE REDUCTION AND CRIME FREE FUTURES WORK

The About Face programme

About Face represents City Hearts' commitment to addressing the cycle of crime and to promoting crime free futures. This is done by offering support both to those who commit, and those who are victims of criminality. Reduced crime equals reduced victims and hence works toward creating a better society.

We work alongside people at risk of being involved in offending behaviour who also present as difficult to engage with. All work is person-centred and trauma-informed and is carried out in partnership with key statutory and non-statutory services.

Plan B

This year our successful partnership with South Yorkshire Police Violence Reduction Unit, 'Plan B', was extended, developed, and expanded across Sheffield, Barnsley, Doncaster and Rotherham. This programme aims to reduce offending rates and violence, whilst also helping individuals realise and work towards their goals and aspirations. Experienced custody navigators from City Hearts engage with individuals in custody from the point of arrest.

One of our clients, supported as part of Plan B, said: "I am so glad I met the Plan B Navigator. Since we met I have achieved a lot mentally and had success with housing, counselling, and with my doctor. Recently I've drunk alcohol and known when to draw the line, whereas before it was an issue. My decision making has become around supporting my family where in the past I was more reckless and ill disciplined."

Over the past year, 164 individuals were supported in custody, and 43 of these received ongoing and intensive support from our team in the community. Many clients progressed into employment, education or training, and City Hearts was pleased to provide a programme of trauma-informed one-to-one therapeutic support to 15 clients throughout the year. Initial research and data analysis shows an encouraging drop in the general re-offending rate against the national average, though further data analysis is currently underway in partnership with Sheffield Hallam University.

CITY HEARTS (UK)

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

The Forging Ahead Programme

Working alongside Total Training Provision, Her Majesty's Prison and Probation Service, South Yorkshire Police and employers, Forging Ahead is a three-week training course delivered by City Hearts. It provides individuals with the required skills and qualifications to move forward into employment. During the year, many of the planned courses were held virtually due to lockdowns; this limited client engagement and only eight individuals completed the course. However, face to face courses have now fully re-started, and we are pleased to be seeing increased engagement and success.

A client who took part in the Forging Ahead programme said: "After completing Forging Ahead, good things have happened for me. I was sceptical at first when my probation officer told me that these 'charity' people wanted to help.

The About Face staff and the team at Forging Ahead didn't let me down though. They actually helped me. Now, almost 18 months after completing the course I'm still working in the job they helped prepare me for, and find.

I can't thank the team enough, they helped me with everything I needed help with and even now, I still call... just to check in or ask advice. I would tell everyone who needs it, to get help from these guys, when they say that they care, they actually do."

Merseyside Deferred Prosecution Scheme

In March 2021, City Hearts was awarded a contract with Merseyside Police to deliver a 16-week tailor-made programme with the aim of reducing re-offending and reducing any future crime and thereby associated victims.

The scheme works with males, aged 18-25, who have committed minor offences and offers a second chance to those involved in low level criminality; many have complex needs but have never before received any kind of help, intervention or support. The scheme centres on the pathways for re-offending: accommodation; children and families; finance, benefit and debt; mental and physical health; attitudes, thinking and behaviour; drugs and alcohol; and education, training and employment.

As of November 2021, 111 individuals have started the programme, with 24, to date, successfully completing it.

CITY HEARTS (UK)

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

Our Partners' work

City Hearts Netherlands

City Hearts Netherlands, a charity that we have supported since its founding and have worked in partnership with since early 2019, are now supporting 30 women a week in their weekly drop-ins and language café. The charity has developed a strong base of volunteers and have a growing network of local service and connections.

City Hearts Netherlands has its own Board of Trustees, sets its own strategy and is not financially supported in anyway by City Hearts (UK). Our support, as a partner, has included delivering training to staff, developing systems and providing policies and procedures for staff and clients, which have been adapted by City Hearts Netherlands to fully comply with all legislation. The partnership agreement between City Hearts (UK) and City Hearts Netherlands expires at the end of 2021. The Trustees of both charities have agreed that this is an appropriate time for City Hearts Netherlands to run as an independent charity, which is to be called "City@home".

The City Hearts Netherlands Board wrote, "We are so thankful for all the advice, wisdom and time we received from the team in the UK who have walked a long part of this journey with us and were there again and again with a listening ear and the best advice."

City Hearts Africa

As noted in our previous accounts, we have worked in partnership with City Hearts Africa in Accra, Ghana since 2015. During this time, City Hearts Africa staff have been able to support over 100 children through the Child Partnership Programme, which provided educational equipment such as school books and uniforms, paid schooling fees and provided mentoring.

Since March 2020, due to the pandemic, City Hearts Africa had been unable to operate the Child Partnership Programme due to government regulations closing schools and stopping gatherings.

At this time, staff were able to help the Child Partnership Programme families through the initial stages of crisis by providing 740 emergency hampers and educational packs, which brought support and stability to the vast majority of families in this very hard time.

City Hearts Africa sought to use its financial resources to maintain staff employment as long as possible, however the charity reached a point where it was unable to offer ongoing meaningful work to staff. Covid-19 created much uncertainty and it was unclear when the Child Partnership Programme would be able to run again. In light of this, the decision was made to close the Child Partnership Programme which took effect from the end of July 2020. It is regretful that the programme has come to an end, but we celebrate the impact it has had over the past five years. City Hearts Africa are committed to paying the children's next year of school fees and have signposted families to local, trusted NGO partners.

In March 2021, UN funding was confirmed to support victims of modern slavery in Ghana with case working support, therapeutic recovery sessions and welfare hampers. This funding was awarded to City Hearts (UK), who in turn engaged City Hearts Africa in delivery of the project.

City Hearts Africa is managed by the City Hearts Africa Trustees Board. The UN funded work and the relationship between City Hearts (UK) and City Hearts Africa is managed via a partnership agreement.

CITY HEARTS (UK)

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

There can be no doubt that this has been a challenging year worldwide that few could have predicted.

A global pandemic has impacted almost every corner of the world, bringing change to the way we live, work and connect with one another. We have seen national lockdowns, collective grieving and significant financial challenge across many sectors, particularly the charitable one.

The appalling murder of George Floyd sparked global anti-racism protests as people called for 'black lives to matter'. This has caused us all, both personally and organisationally, to listen, learn, grow and change to create and be part of a fairer and more inclusive society with systemic transformation.

These events will be remembered in human history and have led us as a charity to adapt, innovate, and strengthen as we seek to ensure our work is effective and meaningful in these times.

CITY HEARTS (UK)

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

OUR RESPONSE TO COVID-19

We have continually adapted our services and operations, in order to meet restrictions in response to lockdowns and now the 'new normal'. Our focus during this time has been ensuring effective and meaningful support to our clients, with their welfare being our first priority. At this time, the welfare of our staffing team, particularly our frontline caseworkers, has also been a key focus.

Initially, for the health and safety of staff and clients, unnecessary staff and volunteer contact with clients was temporarily suspended. This raised challenges, particularly for our clients' mental health and their ability to access to local services and practical support, especially as many of our clients faced digitally poverty.

At the peak of the pandemic, staff proactively adjusted to deliver meaningful support from a safe distance, organising activities such as gym classes in safehouses, as well as calling and visiting particularly high-risk clients. Our Health and Wellbeing team adapted their support provision to offer wellbeing walks, activity packs and online yoga and skills classes, in order to boost our clients' mental health. City Hearts also applied to Barclay's Covid-19 Community Relief Fund and received a donation of £100,000. This enabled us to distribute 221 electronic tablets, 400 Mi-Fi routers and 400 unlimited data sims, providing five months of unlimited free internet access for clients around the UK. This greatly reduced the digital exclusion many of our clients had been facing, and allowed them to receive crucial online counselling, access medical services, return to online ESOL classes, and enable our clients' dependents to complete their homework and return to school.

A member of our staff team saw first-hand the impact the donation had on survivors and said: "One of our modern slavery survivors was a mum with children. She told me the device and free WiFi was very useful because her children could then access everything they needed, particularly homework and online lessons during the pandemic. Unfortunately, her children's school wasn't able to provide internet, so the fact that we had Barclays' generous donations meant they had a way to access their lessons. Mum also said having the internet made them really happy as a family. Despite being unable to go out during lockdown, the family enjoyed watching their favourite cartoons and films. It brought them together."

Nigel Higgins, Barclays Chairman, said: "Covid-19 has created an unprecedented social and economic impact in the UK, with many experiencing greater hardship due to the crisis. Incredible charities have been playing a vital role in the UK's response to the pandemic, ensuring urgent help reaches those most in need of support. As a bank, we have been doing all we can for our customers, clients and colleagues, and we hope that by partnering with City Hearts and many other charities across the UK, collectively we can ensure that as many people as possible in the communities in which we live and work are supported through this crisis."

City Hearts staff have showed exceptional determination and resilience over the past year, supporting many clients for whom the coronavirus restrictions brought back tough memories of their trafficking experiences. In order to facilitate the valuable work that they do, we have designed a flexible working agreement, allowing staff to adapt their working times to fit around home environments and child care whilst schools were closed. In addition to this, City Hearts supplemented the purchase of new home-working equipment for staff to continue to do their jobs safely and effectively from their own homes, giving recommendations on appropriate desks, chairs and footstools based on government guidelines. Finally, staff were given one hour of working-time a week to dedicate to maintaining and improving their mental health, with the offer of free 1-1 counselling sessions for anyone in need of further support. More recently, staff have been given the option to opt into working remotely, as well as from our offices, allowing everyone the flexibility to decide which working arrangement is best for them based on their individual circumstances.

CITY HEARTS (UK)

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

City Hearts has adapted well to the pandemic, and we have sought to ensure our policy and guidance has been thorough and well communicated throughout. In a recent anonymous staff survey, staff gave an average score of 4/5 (very good) in response to the statement, "City Hearts as an organisation adapts well to external or societal changes".

The pandemic also raised significant questions and uncertainties over how it would impact our financial stability. As is presented in this set of Accounts, we are fortunate that our income was largely unaffected, due to sustained income through the delivery of the Modern Slavery Victim Care Contract, as well as the generosity of donors and partners. In addition, expenditure was reduced due to savings being made on travel and other expenses.

OUR COMMITMENT TO INCLUSIVITY

In the wake of the murder of George Floyd and the global anti-racism protests that followed, we established a taskforce to ensure we are taking proactive steps to ensure City Hearts is working against racism in the long-term.

Staff were invited to join the taskforce in June 2020 and in July a first meeting was held. The taskforce appointed its own Chair and Co-Chair and was asked within three months to develop and deliver its recommendations to the City Hearts Management Board. Work time each week was given for staff involved in the taskforce to participate.

The taskforce delivered its recommendations on 1st October 2020 to the Management Board, and subsequently the Chair and Co-Chair of the taskforce kindly agreed to draw up an action plan alongside the Management Board. Key actions focussed upon:

- Improving training, appointing an Equality, Diversity and Inclusivity Lead (who was appointed in April 2021).
- Conducting a review of staff recruitment as well as policies and procedures.
- Publishing staffing demographics.
- Developing a database highlighting key services across regions of City Hearts for caseworkers to signpost clients to ethnically-appropriate services (such as hairdressers, supermarkets and community support services).
- Adopting staff 'lunch and learn' focussing on a nation's traditions and customs and creating a library of resources to seek to further develop and foster an inclusive culture.

We are determined to continue to develop a fully inclusive culture for the wellbeing of our clients and staff and remain committed to learning and implementing change. As part of that commitment, we have committed to becoming Stonewall Diversity Champions, which is a leading equality and diversity employers programme which ensures that LGBTQ+ staff are free to be themselves in the workplace. Our alliance with this programme will ensure we learn from established best practice and are accountable in our progress.

CITY HEARTS (UK)

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

Financial review

The trustees make strategic decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them. They do not however carry out the routine day to day management of the charity, for which the budget leader for each department is responsible.

City Hearts (UK) received £6,144,150 (2020: £6,229,706) of income during the financial year to 31 March 2021 and expended £5,258,401 (2020: £5,658,436), showing a surplus of £885,749 (2020: £571,270). The principal sources of funds are disclosed in notes 3-4 to the accounts.

At 31 March 2021 the charity's reserves were at £2,722,234 (2020: £1,836,485), all of which were unrestricted. The trustees have identified that the reserves are at a reasonable level. The charity's freely available unrestricted reserves at 31 March 2021 were £2,370,142.

Given that City Hearts has received the backing of the Salvation Army as a subcontractor until at least the end of June 2025, we have looked to continue to build reserves to bring security and stability to cover us for any unforeseen circumstances and to ensure there are no cash flow issues going forward. The greatest risk to the charitable company is the loss of the contract with the Salvation Army and the trustees are looking at alternative plans should this happen.

Statement on our Accounts and Financial Position

We recognise that our Accounts for this financial year present a notable surplus.

Two key factors have contributed to that surplus. They are: a back-payment for indexation, which was received over the past two financial years, for services delivered through financial years 2016-2020 as well as temporarily reduced expenditure due to the Covid pandemic.

The Trustees recognise and wish to make clear that we do not anticipate future sets of Accounts will present a similar surplus. This is on the basis of the exceptional factors noted above as well as changes to the terms in the new Modern Slavery Victim Care Contract. This is the contract by which City Hearts support survivors of modern slavery, and which is our primary source of income as a charity. That new contract is to be welcomed, as it provides a financial stability for the charity, with the contract running until at least the summer of 2025. However, as a result, we have needed to deliver these services in a more resource efficient manner.

At this time, we need to ensure that funds are raised for the continuation of our Health and Wellbeing and Integration Support, which are not financially supported through any contracts. These programmes improve the lives of our clients and enable us to deliver holistic and longer-term support to aid individuals' full recoveries. Such support is needed right now more than ever.

To that end, this year's surplus is being put, in part, towards an investment over the next three years into fundraising and innovation. This is with the aim of raising ongoing funds for the continuation of those programmes as well as the development of other innovative projects that support our clients in their recovery journeys. It is also our intention that this investment into fundraising will help to strengthen the core of the charity.

In addition, this year's surplus has also been used to further strengthen our charity reserves. In line with good practice and our policy, City Hearts now holds 3 to 6 months of current operating costs in reserve.

CITY HEARTS (UK)

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

Structure, governance and management

The charity is a company (number 5396512) limited by guarantee under the provisions of the Companies Act 2006. The company does not have any share capital. The company became a registered charity (number 1110314) in July 2005.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

K Downes

N P Anumba

J D Houghton (Resigned 2 April 2021)

F R Smith

G Cheshire (Appointed 24 March 2021)

There are at least three Managing Trustees at any one time. The Trustees are also Directors for the purposes of company law. All of the Trustees are members of the company. None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

G Cheshire was appointed a Trustee during this financial year and adds significant expertise and experience in strategic development, implementing change, project management, as well as staff development and training. These skills have been developed over the course of twenty years in positions, including senior roles, in the police force, and now as Head of Operations at British Red Cross.

D L Noble was appointed Company Secretary on 23rd February 2021 and continues to operate in the role.

As permitted by the Charities Act, and our charity's Articles, "Keep Your Fork", of which F Smith is Managing Director, is contracted to deliver PR and marketing services to the charity in return for payment. In line with best practice and our Conflict of Interest policy, the Directors managed such conflict, ensuring F Smith was not part of any relevant discussions or decision making. They also ensured the contract, as well as the services provided were in the best interests of the charity and that the level of the remuneration was reasonable in relation to the value of the services provided. In line with our policy, we can confirm that "Keep Your Fork" received £8,348 in remuneration.

The Trustees seek to further strengthen its Board to add greater expertise, bring further diversity and ultimately improve decision making. Our current process in identifying prospective candidates for trusteeship is as follows: Potential candidates with relevant experience and expertise are identified who the Trustees believe will strengthen the board. One of the Trustees (or the charity's CEO) will then approach the prospective candidate, with due diligence being carried out, before any appointment is made. Going forward, the charity intends to advertise for Trustees on external platforms.

The Trustees have assessed the major risks to which City Hearts is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

CITY HEARTS (UK)

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

CHARITY INDEPENDENCE

In June 2020, following allegations and subsequent admissions of racist practices within Hope City Church by David Gilpin (the former Senior Pastor of Hope City Church), the Trustees of City Hearts unanimously made the decision to legally and practically separate from the church.

Ed Newton, City Hearts CEO, said at the time “I want to make clear the allegations and admissions do not relate to City Hearts in any capacity. City Hearts has zero tolerance for racism or discrimination of any kind. An inclusive workplace is fundamental to our culture, and we expect everyone associated with City Hearts to uphold these values.”

Hope City Church, a registered charity (number 1119791) and a company limited by guarantee (number 5999100), was previously a related party, out of which City Hearts had been founded. In City Hearts early years, the church had offered support both financially and with volunteers.

In the years prior to the events of June 2020, steps had been taken towards separation, as it had become increasingly clear to City Hearts Trustees that the charity needed to be independent of the church.

City Hearts became legally independent on 3rd July 2020, following a combined meeting of the Trustees.

City Hearts has cut all practical ties to the church with City Hearts Trustees serving notice to end all partnership working, which had been covered by a Service Level Agreement. Additionally, in June 2020 the City Hearts Trustees accepted the resignation of the charity's founder and global strategist, Jenny Gilpin, from her role at City Hearts, who moved back to her Australian home land, and now has no involvement in any areas of the charity.

Across regions, we have vacated all shared buildings, and have moved into new Head Offices in Sheffield. We have also developed our Operational Team to take full ownership of all financial processing services.

As noted in our previous set of accounts: In advance of and on the basis of our anticipated purchase of a property from Hope City Church in the financial year 2019-20, a property City Hearts had rented for a number of years, City Hearts loaned Hope City Church the total agreed purchase price for the property, in advance of completion. This loan was covered by a written legal agreement between the charities and was made in part on the basis of the historic (and at the time ongoing) relationship between the two charities. It was anticipated the sale would complete in the financial year 2019-20. However, on the basis of the due diligence City Hearts carried out in consideration of purchase, the Trustees of City Hearts made the decision not to go ahead with the purchase. On the basis of the agreement, the loaned money is therefore due to City Hearts, and will, at latest, be repaid in full by 31st March 2022, with payments being made incrementally prior to this deadline. By 31st March 2021, £30,000 had been repaid to City Hearts, with the remainder being settled in the month following.

There can be no doubt that City Hearts has experienced significant change over the past few years. As we, and the world, begins to emerge from the Coronavirus pandemic, we believe it is a time for us, now as a fully independent charity, to examine and reflect upon our purpose and impact. We are excited to embark on this process and will be doing so with the support of an external facilitator. Stakeholder consultations will be crucial to this process, as we seek to understand how we, in partnership with others, can most effectively support some of those most in need.

CITY HEARTS (UK)

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

RESTRUCTURE

Since 2011, City Hearts has been a subcontractor to the Salvation Army, providing support to survivors of modern slavery in England, under the Home Office's Victim Care Contract.

In August 2020, City Hearts were appointed as a specialist partner who will continue to provide crucial support to survivors of modern slavery under the new Victim Care Contract, which runs until June 2025. Due to contractual changes as well as changes to the way support is delivered under this new contract, we have needed to adjust to a significant reduction in our annual funding going forward. As a result, we were left with no choice but to review our staffing levels and delivery models in order to maintain financial stability for the charity over the course of the next five years. Support was provided to all those who were affected, with an open and transparent process being carried out.

City Hearts' CEO Ed Newton, said: "We have been privileged to support thousands of vulnerable people over the past five years, and our staff have always gone above and beyond to deliver the very best client care. We remain committed to delivering our renowned high quality client care, and giving the best support to our employees at this difficult time."

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

The trustees' report was approved by the Board of Trustees.

K Downes

Trustee

Dated: 26 January 2022

CITY HEARTS (UK)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of City Hearts (UK) for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

In preparing these accounts, 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

6 Broadfield Court
Broadfield Way
Sheffield
S8 0XF

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY HEARTS (UK)

Opinion

We have audited the financial statements of City Hearts (UK) (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 AUDITOR'S REPORT TO THE MEMBERS OF CITY HEARTS (UK) CONTINUED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY HEARTS (UK) CONTINUED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY HEARTS (UK) CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Roland Givans (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

26 January 2022

Chartered Accountants
Statutory Auditor

CITY HEARTS (UK)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	Notes	£	£	£	£	£	£
<u>Income from:</u>							
Grants and donations	3	244,413	-	244,413	38,503	58,775	97,278
Charitable activities	4	5,895,596	-	5,895,596	6,131,648	-	6,131,648
Investments	5	4,141	-	4,141	557	-	557
Other income	6	-	-	-	223	-	223
Total income		<u>6,144,150</u>	<u>-</u>	<u>6,144,150</u>	<u>6,170,931</u>	<u>58,775</u>	<u>6,229,706</u>
<u>Expenditure on:</u>							
Raising funds	7	<u>3,685</u>	<u>-</u>	<u>3,685</u>	<u>9,410</u>	<u>-</u>	<u>9,410</u>
Charitable activities	8	<u>5,254,716</u>	<u>-</u>	<u>5,254,716</u>	<u>5,367,124</u>	<u>281,902</u>	<u>5,649,026</u>
Total resources expended		<u>5,258,401</u>	<u>-</u>	<u>5,258,401</u>	<u>5,376,534</u>	<u>281,902</u>	<u>5,658,436</u>
Gross transfers between funds		-	-	-	(173,887)	173,887	-
Net income for the year/ Net movement in funds		885,749	-	885,749	620,510	(49,240)	571,270
Fund balances at 1 April 2020		<u>1,836,485</u>	<u>-</u>	<u>1,836,485</u>	<u>1,215,975</u>	<u>49,240</u>	<u>1,265,215</u>
Fund balances at 31 March 2021		<u>2,722,234</u>	<u>-</u>	<u>2,722,234</u>	<u>1,836,485</u>	<u>-</u>	<u>1,836,485</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CITY HEARTS (UK)

BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		520,296		461,514
Current assets					
Debtors	15	956,023		1,000,727	
Cash at bank and in hand		1,508,974		796,913	
		<u>2,464,997</u>		<u>1,797,640</u>	
Creditors: amounts falling due within one year	17	<u>(102,034)</u>		<u>(253,160)</u>	
Net current assets			2,362,963		1,544,480
Total assets less current liabilities			<u>2,883,259</u>		<u>2,005,994</u>
Creditors: amounts falling due after more than one year	18		(161,025)		(169,509)
Net assets			<u>2,722,234</u>		<u>1,836,485</u>
Income funds					
Unrestricted funds			2,722,234		1,836,485
			<u>2,722,234</u>		<u>1,836,485</u>

The financial statements were approved by the board of directors and authorised for issue on 26 January 2022 and are signed on its behalf by:

K Downes
Trustee

Company Registration No. 5396512

CITY HEARTS (UK)**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2021**

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	24		828,858		282,706
Investing activities					
Purchase of tangible fixed assets		(112,645)		(62,728)	
Interest received		4,141		557	
Net cash used in investing activities			(108,504)		(62,171)
Financing activities					
Repayment of bank loans		(8,293)		(6,874)	
Net cash used in financing activities			(8,293)		(6,874)
Net increase in cash and cash equivalents			712,061		213,661
Cash and cash equivalents at beginning of year			796,913		583,252
Cash and cash equivalents at end of year			1,508,974		796,913

CITY HEARTS (UK)

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

1 Accounting policies

Company information

City Hearts (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Furnival House, Furnival Gate, Sheffield, South Yorkshire, S1 4QP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the main functional currency of the charity. The charity also has the functional currency of Ghanaian Cedi. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold property improvements	33% Straight line
Fixtures, fittings & equipment	20% Straight line/33% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed assets costing less than £500 are not capitalised.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Grants and donations

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	244,413	-	244,413	38,503	58,775	97,278

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
Services provided under contract	5,895,596	6,131,648

5 Investments

	2021 £	2020 £
Interest receivable	4,141	557

6 Other income

	2021 £	2020 £
Other income	-	223

7 Raising funds

	2021 £	2020 £
<u>Fundraising and publicity</u>		
Advertising	3,685	9,410
	3,685	9,410

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	2021 £	2020 £
Staff costs	3,238,562	3,145,992
Depreciation and impairment	53,863	38,262
Repairs and maintenance	104,446	131,602
Telephone	111,770	57,500
Training costs	25,439	44,016
Motor and travel expenses	137,184	360,491
Rent and charges	458,007	439,210
Insurance	17,228	16,091
Legal and professional fees	155,549	149,719
Bank interest and charges	10,710	12,178
Sundry expenses	50,709	31,838
Light and heat	54,295	70,124
Rates	30,883	41,890
Food and drink	19,285	61,780
Activities and outings	7,737	32,313
Printing, postage and stationery	16,808	19,444
IT expenses	86,859	92,493
Cleaning	36,541	21,529
Licences and subscriptions	14,656	5,515
City Hearts allowances	619,018	850,992
AKN expenses	-	21,907
	<u>5,249,549</u>	<u>5,644,886</u>
Grant funding of activities (see note 9)	1,567	720
Share of governance costs (see note 10)	3,600	3,420
	<u>5,254,716</u>	<u>5,649,026</u>
Analysis by fund		
Unrestricted funds	5,254,716	5,367,124
Restricted funds	-	281,902
	<u>5,254,716</u>	<u>5,649,026</u>

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Grants payable

	2021 £	2020 £
Grants to institutions:		
Other	1,567	720
	<u>1,567</u>	<u>720</u>
	<u><u>1,567</u></u>	<u><u>720</u></u>

10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	3,600	3,600	-	3,420	3,420
	<u>-</u>	<u>3,600</u>	<u>3,600</u>	<u>-</u>	<u>3,420</u>	<u>3,420</u>
	<u><u>-</u></u>	<u><u>3,600</u></u>	<u><u>3,600</u></u>	<u><u>-</u></u>	<u><u>3,420</u></u>	<u><u>3,420</u></u>
Analysed between						
Charitable activities	-	3,600	3,600	-	3,420	3,420
	<u>-</u>	<u>3,600</u>	<u>3,600</u>	<u>-</u>	<u>3,420</u>	<u>3,420</u>
	<u><u>-</u></u>	<u><u>3,600</u></u>	<u><u>3,600</u></u>	<u><u>-</u></u>	<u><u>3,420</u></u>	<u><u>3,420</u></u>

Governance costs includes payments to the auditors of £3,600 (2020: £3,420) for audit fees. Other costs includes payments to the auditors of £3,600 (2020: £3,420) for other services.

11 Trustees

F R Smith controls another company that during the period since she became a trustee received £8,348 (2020: £2,085) for marketing services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charity during the year and no trustee expenses have been incurred.

The charity's Memorandum and Articles of Association expressly permits trustees to be remunerated provided certain conditions are met.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Employees	152	164
Trustees	4	4
	156	168

Employment costs

	2021 £	2020 £
Wages and salaries	2,942,041	2,866,715
Social security costs	222,073	207,868
Other pension costs	74,448	71,409
	3,238,562	3,145,992

There were no employees whose annual remuneration was £60,000 or more.

13 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Tangible fixed assets

	Land and buildings	Leasehold property improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	398,251	1,376	161,143	560,770
Additions	-	-	112,645	112,645
At 31 March 2021	398,251	1,376	273,788	673,415
Depreciation and impairment				
At 1 April 2020	22,660	99	76,497	99,256
Depreciation charged in the year	7,963	275	45,625	53,863
At 31 March 2021	30,623	374	122,122	153,119
Carrying amount				
At 31 March 2021	367,628	1,002	151,666	520,296
At 31 March 2020	375,591	1,277	84,646	461,514

The charity's freehold land and buildings are subject to a mortgage with the balance owed at 31 March 2020 amounting to 47% (2019: 48%) of their net book value.

15 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	801,222	822,583
Amount owed by parent undertaking	-	154,617
Other debtors	132,301	14,177
Prepayments and accrued income	22,500	9,350
	956,023	1,000,727

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Loans and overdrafts

	2021 £	2020 £
Bank loans	168,204	176,497
Payable within one year	7,179	6,988
Payable after one year	161,025	169,509
Amounts included above which fall due after five years:		
Payable by instalments	128,841	138,270

The mortgage is secured by a first legal charge over the charity's freehold land and buildings.

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	16	7,179	6,988
Other taxation and social security		-	48,248
Deferred income	19	-	67,131
Trade creditors		69,946	21,358
Amounts owed to fellow group undertakings		-	807
Other creditors		6,364	87,854
Accruals and deferred income		18,545	20,774
		102,034	253,160

18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	16	161,025	169,509

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Deferred income

	2021 £	2020 £
Other deferred income	-	67,131
	<u> </u>	<u> </u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Current liabilities	-	67,131
	<u> </u>	<u> </u>
	-	67,131
	<u> </u>	<u> </u>

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£	£	£	£	£
ISP Project	29,240	-	(175,191)	145,951	-	-	-	-
Antislavery Knowledge Network	20,000	58,775	(106,711)	27,936	-	-	-	-
	<u>49,240</u>	<u>58,775</u>	<u>(281,902)</u>	<u>173,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City Hearts Integration Support Programme continues to provide long-term support to survivors of modern slavery after they have exited safe house or our Outreach services. The programme acts as a safety net and aims to prevent vulnerable survivors from falling into re-trafficking and homelessness.

The Antislavery Knowledge Network offered the first extended effort to address slavery as a core development challenge in sub-Saharan Africa via innovative approaches from the arts and humanities that deliver community-engaged antislavery work. This involved classroom based sessions utilising visual arts and photography and collaborating with local schools engaging with and building upon the City Hearts education programme of the time.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	154,800	42,403
Between two and five years	500,892	-
	<u>655,692</u>	<u>42,403</u>

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>53,726</u>	<u>53,446</u>

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

There were no other related party transactions to disclose.

23 Control

The charitable company left the C3 Trust UK group on 1 April 2020 and since then there has been no single ultimate controlling party.

CITY HEARTS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

24	Cash generated from operations	2021 £	2020 £	
	Surplus for the year	885,749	571,270	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(4,141)	(557)	
	Depreciation and impairment of tangible fixed assets	53,863	38,262	
	Movements in working capital:			
	Decrease/(increase) in debtors	44,704	(343,069)	
	(Decrease)/increase in creditors	(84,186)	18,129	
	(Decrease) in deferred income	(67,131)	(1,329)	
	Cash generated from operations	828,858	282,706	
25	Analysis of changes in net funds			
		At 1 April 2020 £	Cash flows £	At 31 March 2021 £
	Cash at bank and in hand	796,913	712,061	1,508,974
	Loans falling due within one year	(6,988)	(191)	(7,179)
	Loans falling due after more than one year	(169,509)	8,484	(161,025)
		620,416	720,354	1,340,770