

REGISTERED COMPANY NUMBER: 6457347 (England and Wales)
REGISTERED CHARITY NUMBER: 1122641

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2021
for**

**Circles of Support and Accountability UK
(A Company Limited by Guarantee)**

Simon Porter FCA
120 Woodcote Road
Caversham
Reading
Berkshire
RG4 7EZ

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

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for the Year Ended 31 March 2021**

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Circles of Support and Accountability UK
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Report of the Trustees
for the Year Ended 31 March 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005, and the accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report has been prepared mindful of the need to demonstrate the public benefit of the charity's work, and to this end presents the year's achievements under the headings of the seven key objectives and workstreams through which Circles UK currently meets its charitable purposes.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
6457347 (England and Wales)

Registered Charity number
1122641

Registered office

Abbey House
Abbey Square
Reading
Berkshire
RG1 3BE

Trustees

Mr N Barnes	
Ms J Carroll	
Mr G Marshall	Chair
Ms P Mullan	
Mr D Sheppard	
Mr G Williams	
Mr J Wilson	Treasurer

CEO/Company Secretary

Ms R Taylor

Independent Examiner

Simon Porter FCA
120 Woodcote Road
Caversham
Reading
Berkshire
RG4 7EZ

Circles of Support and Accountability UK
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Report of the Trustees
for the Year Ended 31 March 2021

PURPOSE, OVERVIEW AND OPERATING MODEL

Circles UK's vision is of 'no more victims'. Its mission is to enhance public safety by working with individuals who have sexually abused others, and are at risk of doing so again, to self-manage inappropriate thoughts and behaviours, reintegrate safely into society and lead responsible lives.

Circles UK was established in 2008 to oversee the provision of Circles of Support and Accountability ('Circles') in England and Wales and owns the Circles brand and Intellectual Property Rights. Organisations which run Circles must become members of Circles UK and operate within the requirements of a Code of Practice. These Circles 'Providers', as they are known, are subject to biennial audits by Circles UK to ensure that quality and safety standards are maintained.

A Circle is a group of volunteers from a local community which form a Circle around a person with a conviction for a sexual offence or who have engaged in harmful sexual behaviour. This person is referred to as the 'Core Member'. Each Circle consists of four to six Volunteers and a Core Member. The Circle aims to provide a supportive social network that also requires the Core Member to take responsibility (be 'accountable') for his/ her ongoing risk management. The Circle can also provide support and practical guidance in such things as developing their social skills, finding suitable accommodation, or helping the Core Member to find appropriate hobbies and interests. While helping the Core Member to settle into the community, the Volunteers also assist them in recognising patterns of thought and behaviour that could lead to their reoffending. Within it, the Core Member can grow in self-esteem and develop healthy adult relationships, maximising his or her chances of successfully reintegrating into the community and live a positive offence free life.

Volunteers are closely managed and supervised by professional Coordinators who are employed by Circles Providers. The Core Member is involved from the beginning, is included in all decision making and, like all other members of the Circle, signs an agreement committing him or herself to the Circle and its aims. Each Circle is unique because it is individually designed around the needs of the Core Member. Should the Core Member show signs that they may be at risk of reoffending, the 'Inner Circle' of Volunteers will work with Police, Probation Service and other statutory services who provide the 'Outer Circle', who may take action to protect the public.

The Circle seeks to prevent further sexual abuse by reducing stigma and social isolation; factors known to be strongly associated with sexual recidivism. The Circle focuses on a person's 'positives' and 'strengths' and seeks to support him/her to access safe social outlets and opportunities, avoid dangerous and enabling situations and behaviours and manage day to day challenges. In so doing the Circle serves to help reduce the risk of reoffending associated with alienation and the attendant risk of harm to existing and potential victims.

Since 2008 more than a 1,000 Circles have completed successfully. Evaluation studies have consistently shown that Circles play a crucial role in supporting the risk management of individuals convicted of sexual offences, increase emotional wellbeing of Core Members, assist them in forming appropriate relationships, help them engage in meaningful activities and support them to find and retain suitable accommodation, all factors that are known to reduce reoffending. Circles provide a significant contribution in helping to reduce sexual abuse. As an organisation, Circles UK advocates and raises awareness of the importance of providing support to perpetrators of sexual abuse to address the root causes and prevent further offending. As a recognised authority in this area of work, over the past twelve years, we have also trained and helped set up Circles programmes in Australia, Belgium, Bulgaria, Latvia, the Netherlands, Scotland and Spain. The Circles UK CEO currently chairs the CirclesEurope Association Board.

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Circles UK's key values are:

- **Safety** - Working towards the objective of 'no more victims'.
- **Responsibility** - Holding individuals and organisations to account for their actions.
- **Inclusiveness** - Managing risk through inclusion not exclusion.
- **Community involvement** - Recognising the importance of community involvement.
- **Growing and learning** - Recognising that with necessary support and challenge, people have the ability to grow, learn and change their behaviour.
- **Individuality and respect** - Treating people with humanity and respect.

This Trustees' Report reflects the operation of the Circles UK charity rather than the detailed activities of Circles and Circles Providers across England and Wales.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, the Memorandum and Articles of Association incorporated on 19 December 2007 and amended on 13 October 2009 and 4 December 2015. It is constituted as a company limited by guarantee, as defined by the Companies Act 2006. The Articles allow for 15 Trustees, one third of whom must retire by rotation at each AGM, after the first AGM of the charity.

Recruitment, induction and training of Trustees

All new Trustees are required to complete an induction programme. Briefings on key priorities and projects are provided as well as a comprehensive pack containing copies of key documents, organisational information and expectations relating to their duties as Trustees. The charity provides a designated budget for Trustees to assist in the fulfillment of their responsibilities, which includes funding for Trustee development. At least one Away Day is held every year to enable the Trustees to plan together to determine the strategic direction of the organisation. Charity Commission guidelines and new requirements are shared with Trustees and training is arranged where appropriate.

Recruitment of Trustees is through open advertising as well as head hunting (due to the specialist and sensitive nature of the organisation's work) and seeks to ensure a skills-based Board that best represents the needs of the organisation. This is reviewed annually. Trustees make a declaration of eligibility to serve as a Trustee and also complete a Safeguarding declaration upon appointment. Declarations of interest and Safeguarding are signed and updated annually. Declarations of interest are also asked for at each Board meeting.

Organisation and Membership

Membership of Circles UK includes all local or regional Circles of Support and Accountability Providers, as organisations, which have formally agreed to deliver Circles in accordance with the Circles UK national Code of Practice and demonstrated that they meet the other membership eligibility requirements. This membership provides a wide range of entitlements, on payment of a membership fee, including use of the Circles UK trade marked logo and brand materials, media support, regular training and support and engagement in the charity's governance procedures as defined in its Memorandum and Articles of Association. Providers have to demonstrate a high standard of compliance to maintain membership of Circles UK. There is regular liaison and consultation with Providers through meetings, working parties, briefings and informal liaison.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Additional categories of Associate and Affiliate membership are available for organisations operating Circles outside England and Wales, and for those providing a similar service but not one recognised by Circles UK as Circles of Support and Accountability. This is likely to be an adaptation of the Circles model or applied to another service user group. These membership categories provide some entitlements, but no formal engagement in the governance of the overarching charity.

By the end of the financial year 2020-21 there were nine Full Member Providers and one Associate Member providing Circles across England and Wales. There are currently three types of Circles Providers:

- Those Providers whose work focuses almost entirely on Circles provision.
- Those Providers that are part of larger organisations and for whom Circles provision is a relatively small part of their overall business.
- Those Providers that are part of the National Probation Service.

Governance and Risk Management

Circles UK is currently governed by a Board of seven Trustees which sets the strategic direction and provides scrutiny on aspects like performance and financial viability. Decisions on strategic direction, key policies, financial and legal requirements and governance are taken at Trustees meetings. Some Board members also participate in sub-committees and working groups, which consider in detail such matters as finance, income generation, sustainability and organisational risk, referring to the main Board for decision. Trustees' meetings are held at least five times a year and are attended by the Chief Executive and senior members of the operational team. Day-to-day management of the Charity is delegated by the Trustees to the Chief Executive.

Trustees fully recognise and execute their responsibilities in identifying and managing organisational risk, and in ensuring that appropriate policies and controls are in place. Circles UK has an organisational Risk Register in place which is reviewed by the Trustees. This involves a review of both internal and external risks and seeks to minimise risks through the establishment of procedures and the monitoring of written protocols in relation to all workstreams, projects as well as external developments that may pose risk to the organisation and its network of Circles Member Providers. The aim of these reviews is to ensure that any new risks are considered and steps to mitigate those risks are identified and implemented. The Finance Sub-Committee is chaired by the Treasurer and meets quarterly to monitor financial matters. It has incorporated the Audit and Risk function to provide the Board with enhanced scrutiny of strategic and key organisational risks, as well as projects that are of major strategic significance.

Key strategic priorities:

It is fair to say that COVID-19 and the impact of the lockdowns dominated Circles UK's work and priorities over the last period. The pandemic presented a significant risk and challenge to Circles UK together with its network of Circles Providers, as face to face Circles provision had to cease with little time to prepare. As social isolation presents a serious risk for increased sexual abuse and many who receive a Circle (Core Members) are not allowed access to the internet due to the crimes they have committed, the remote or virtual measures Providers could use to maintain contact with Core Members were limited. It was therefore essential to increase the support that Circles UK provided to Circles Providers to support them through these difficulties. These support mechanisms will be detailed in the overview of the strategic objectives of the report.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Key strategic priorities continued:

The decision by the National Probation Service not to commission Circles nationally in 2018 continued to have far reaching impact as it led to a reduction in the number of Circles Providers that operate in England and Wales. One of Circles UK's key priorities of the last year was to establish new Circles Providers in areas where provision has ceased. This was almost impossible in the light of the impact of COVID-19. However, discussions were progressed with organisations in the North East, Greater Manchester and the North West. Work with one organisation has progressed to the stage that it is envisaged that they will be able to apply to the Circles UK Board for provisional membership in 2021.

Circles UK continued to grow the organisation's sustainability and financial health. It ended the 2020-21 financial year on a surplus to budget of just over £53,000 which is extremely positive. This was largely the result of travel and subsistence savings as well as not having filled a vacancy due to the impact of COVID-19. Attention also continued to be paid to operating a sound financial and business strategy with continuous close oversight of the organisation's financial and risk management by the Finance Sub-Committee and scrutiny by the full Board of Trustees. We are extremely grateful for our supporters and funders who continued to support our work, enabling us to develop and expand our services. Risks (financial and other) clearly remain as there is still widespread uncertainty about how COVID-19 will evolve. At the end of the reporting period covered by this report, Providers had still not been able to return to face to face Circles provision.

Raising the profile of Circles UK and Circles provision

Despite the challenges of COVID-19 Circles UK continued to place emphasis on positively promoting its work and that of the Circles Provider network. We managed to continue to build the Circles UK profile and promote Circles as an intervention that reduces sexual reoffending and prevent further victims. We significantly developed our online and digital skills to enable us to continue to provide a service to Providers, but also to develop our skills to provide training, events, seminars and conferences online. This was remarkably successful and enabled us to increase national and international participation at events, increase our training capacity and continue to promote Circles UK, Circles Providers and Circles as an effective intervention. In 2020-21 a total of seven successful online events were provided which includes the launch of a new Circles programme and a conference for CirclesEurope. Circles UK also kept up its publishing profile and a number of articles and blogs were published in research journals and other publications. More detail on this will be set out in the overview of the strategic objectives of the report.

Developing the evidence base of Circles

The Research and Evaluation Group has continued to oversee research and evaluation of Circles and is comprised of academics, practitioners and a representative from the Ministry of Justice. It has also considered and approved research applications from a number of external researchers and reviewed reports and studies published over the year. More detail will be provided on the evidence of the effectiveness of Circles that was published in the last year in the overview of the strategic objectives of the report.

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Public Benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and considered how planned activities will contribute to those objectives.

Circles UK's focus most relates to the following objectives contained in the Charity Commission's guidance:

- a) To advance education and training, to relieve poverty and to promote and protect the good health of people who are likely to or who have committed offences and the families of such persons affected by such offences in order to assist with the prevention of such offences, particularly sexual offences; and
- b) To advance the public's education in the understanding of approaches to public protection and prevention of crime.

OVERVIEW OF THE 2020-2021 STRATEGIC OBJECTIVES

The next section of the report will detail the achievements under Circles UK's strategic objectives which are contained in its Strategic Plan 2020-2022.

OBJECTIVE ONE: Address areas where geographical coverage of Circles has decreased and explore ways in which provision can be increased and / or reinstated.

COVID-19 had a significant impact on Circles provision as was highlighted in the section on Governance and Risk Management above. Due to the various lockdowns, face to face Circles provision had to be suspended for prolonged periods. It is to the credit of Circles Provider staff that provision was maintained as much as possible. They found alternative ways of supporting Core Members (service users) through a variety of creative means. However, inevitably 2020-21 has seen a reduction in the number of Circles that were provided in comparison to 2019-20. Circles provision went down from 139 in 2019-20 to 124 in 2020-21. Unsurprisingly, the number of volunteers also decreased from 505 to 413 for the same period. Put in context, however, this is an extraordinary achievement if one considers that Circles provision had to be suspended for at least half of 2020-21 due to COVID-19 lockdowns. These numbers demonstrate the commitment and extraordinary effort Circles Providers made to continue to support Core Members and to make up for lost provision as soon as they were able to.

There were 340 initial referral enquiries for a Circle in comparison to 512 in 2019-20. Of the initial enquiries, 247 resulted in actual referrals compared to 281 in 2019-20. The reason that not all initial referral enquiries result in actual referrals is due to a range of factors such as Core Member unsuitability for a Circle and changes in circumstances of Core Members.

In March 2021 there were 27 individuals waiting for a Circle.

Interestingly 451 new Volunteers received initial training which qualified them to participate in a Circle in comparison to 386 in 2019-20 and 315 received supplementary training in comparison to 256 in 2019-20 (training that is over and above the minimum level of training required). The increase in the numbers of volunteers that were trained is related to having shifted volunteer training online due to COVID-19. This turned out to be remarkably successful in that it enabled larger numbers of Volunteers to attend training. This is one of the positive impacts of COVID-19 and we will build on this learning as we move ahead in the next period.

In March 2021, 174 Volunteers were waiting for supplementary training in comparison to 195 the year before. The reduction in volunteers waiting for training confirms the above point that virtual or online training enables more Volunteers to participate.

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OBJECTIVE ONE continued:

Despite the difficulties created by COVID-19, Circles UK continued to source new Circles Providers for those areas where provision declined when funding for Circles provision was cut by the Probation Service in 2018. Work continued with Humbercare after their initial approval as a Provider by the Circles UK Board in March 2020 in preparation for their first compliance review. Discussions also continued in Greater Manchester with key stakeholders such as members of the MAPPA Strategic Management Board and the Mayor's Office. There has also been positive discussions with an organisation that operates in the north east of the country. Although these negotiations have been slowed down by the pandemic, it is positive that the organisations identified have shown continuous interest and discussions will continue in 2021-22.

OBJECTIVE TWO: Re-launch and promote Circles to key stakeholders and partners.

Two very successful and well attended online seminars took place in November and December 2020 to share the learning and achievements of the National Lottery Funded project. The first seminar focused on the results of the project evaluation and was presented in partnership with the research team of Nottingham Trent University who conducted the evaluation. The second seminar focused on the roll out of the 188 Circles in geographical areas where they have not been delivered before. Specific emphasis was placed on the London implementation of the project and was delivered in partnership with Circles South East who was responsible for the London roll out of the project. Follow up blogs were published on both seminars and can be accessed here:

- the roll out of Circles in London: https://www.circles-uk.org.uk/images/documents/Blog_CtC_London_Final.pdf.
- the results of the evaluation: https://www.circles-uk.org.uk/images/circles/docs/Blog_CtC_Evaluation_Final.pdf.

A range of articles in journals and other publications were produced by Circles UK staff including a chapter in the Monument Trust Fellowship book which was launched in March 2021. The book contains a chapter written by the Circles UK CEO called 'Circles of Support and Accountability: reducing shame, bringing hope and preventing further victims of sexual abuse'. It can be accessed on p 204 by following this link: <https://www.khulisa.co.uk/resources/humane-justice/>.

We also continued to build our presence on social media; our Twitter and Facebook followers continued to increase steadily. Although we are always cautious about how we use social media, these platforms are extremely helpful to promote the work of Circles UK and the Circles Provider network and get relevant information in the public domain.

Circles UK worked with Circles South West to publish articles in community publications to encourage more people from BAME communities to apply to volunteer for Circles. One of the articles that appeared in the Friend Quaker Magazine can be accessed here: <https://twitter.com/Friendmagazine>.

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OBJECTIVE THREE: Expand Circles provision to new stakeholder groups.

The development of the new Circles programme for lower risk people who access Child Sexual Exploitation Material (CSEM) called Circles ReBoot was completed and launched through an online event in September 2020. It was attended by over a hundred participants including representatives from nine countries. Two Circles Providers, Circles South West and Circles South East agreed to pilot the programme and participate in the evaluation which is being overseen by academics from Royal Holloway University. The roll out of the pilot was delayed by six months due to COVID-19 lockdowns which meant the first pilot Circles ReBoot could only start at the beginning of 2021-22. The pilot and evaluation are expected to be finalised by the end of March 2022.

Circles UK continued to work with European partner organisations to develop the Circles Europe Association. The Circles UK CEO continued to chair the Board. The following is a summary of the key developments of the last year:

- In the last year the membership of the CirclesEurope Association grew. At the end of March 2021, seven European countries and nine Circles Providers were full members of the Association.
- Due to COVID-19, the annual General Meeting could not take place face to face and instead took place on 2 July 2020 through an online event. However, it was a very successful event. Because it was online, more people were able to attend than would have been the case if the meeting was held face to face. At the meeting the 2019/20 Annual Financial Report and Annual Activity Report were approved as well as the Policy Plan for 2020-21. The meeting was attended by seven country representatives as well as European Circles staff, volunteers and supporters of the Association.
- The annual CirclesEurope conference which was due to take place in July 2020 was postponed in the hope that it could be held face to face, but that was sadly not possible. As a result, the conference took place in January 2021 through another online event. However, there was a high rate of attendance and from countries that would not usually be able to attend if the conference was held face to face. Nine European Circles Providers were represented. There was also representation from non-European countries such as Canada, Australia and the US.
- A new website was created for CirclesEurope (www.Circleseurope.eu). The website is more accessible and contains updated material on the history of Circles, current Circles Providers, research into the effectiveness of Circles and news and updates about CirclesEurope.

OBJECTIVE FOUR: Fulfil Circles UK's core leadership role and function towards the Circles Provider network.

As detailed in the introductory section of the report, it was a key priority for Circles UK to provide additional support to Circles Providers in the light of COVID-19. The following is a summary of the additional support that Circles UK provided (over and above what is usually provided):

- Convened regular meetings with all the Providers enabling Circles UK to get and share updated information, strategise together and offer support.
- Condensed government guidance on COVID-19.
- Provided specific guidance on how to make telephone contact with Core Members more meaningful where video conferencing was not allowed. This guidance was also shared with our international Circles Provider colleagues and upon request was adopted in Canada and by some CirclesEurope partners.
- Provided guidance and support to apply for additional COVID-19 related funding that was available to charities as well as leading consortium bids on behalf of Circles Providers.
- An online event on resilience was provided for Circles Coordinator staff to provide additional support within the context of maintaining a Circles service despite the challenges of COVID-19.

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OBJECTIVE FOUR continued:

Work continued to replace the Dynamic Risk Review (DRR), which is used to assess the Core Member's progress, with a modernised and strengths-based assessment. The process involved wide ranging consultation with Circles Provides, especially Circle Coordinators as they use the tool extensively and have the most experience of its use. The new tool is called the Strengths Development Review (SDR) and the final version was approved by the Research and Evaluation Committee in March 2021. The new system will make provision for both the Core Member and the Volunteers to complete the SDR which will give richer information than before (the DRR was only completed by the Volunteers). It will also track the strengths and skills that Core Members develop throughout the course of a Circle. Most importantly, it will still include risk information and will monitor how the Core Member's risk changes over the course of a Circle. We will also be able to draw off interesting trends and produce reports and graphs for Providers at the end of each Circle.

There were four Provider Compliance Reviews scheduled for 2020-21, but due to COVID-19 only one could be started in 2020-21. This created a bit of a bottle neck with additional work pressures for Circles UK reviewing staff in 2021-22 as these outstanding reviews have all been scheduled to take place as early as possible in 2021-22 together with the reviews already scheduled for 2021-22. The reviews have generally increased in size and scope as most of them now include adult Circles as well as Youth Circles.

OBJECTIVE FIVE – Continue to build the financial health and sustainability of Circles UK.

During the last year we continued to keep very close oversight of Circles UK's accounts, spending patterns, cash flow and income generation through the Finance Sub-Committee with finance reports to all Board of Trustees meetings in line with Board of Trustees governance responsibilities. Due to COVID-19 we effected some savings, mainly related to less travel and subsistence expenses and not being able to recruit to one vacancy. We ended the 2020-21 financial year on a surplus to budget of £53,614 with in-cash reserves of £450,498. The close monitoring and emphasis on income generation will continue in the next period with the aim to continue to increase Circles UK's long term sustainability.

Maintaining positive relationships with funders remained a key priority, especially in the light of the added uncertainty and instability that was brought by COVID-19. We are particularly grateful that some of our existing funders offered additional financial and other support in the light of the additional challenges that was brought on by the pandemic. We also managed to secure a substantial three year grant for the post-pilot implementation of Circles ReBoot. This grant enables Circles UK to provide part funding to Circles Providers for the delivery of Circles ReBoot as part of our strategy to aid the financial sustainability of Circles Providers where possible. We also focused on developing new Circles programmes (like Circles ReBoot, as referred to above). New Circles programmes not only meet a necessary need in addressing sexual abuse but is also intended to broaden the income base for Circles Providers, which is part of the drive to ensure overall sustainability of the Circles model.

The Big Lottery Fund Project entered its final stage and the last Circles of the 188 Circles of this project completed successfully in October 2020. A final financial reconciliation was done, the project was officially closed, and an end of project report was provided to the National Lottery Community Fund.

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OBJECTIVE SIX: Ensure sound governance, leadership and management of Circles UK.

Circles UK continued to have regular Board of Trustees meetings. All meetings took place online due to the restrictions of COVID-19. The Annual General Meeting also took place online in November 2020. The Trustees held an online Away Day in February 2021 to consider the key strategic issues and risks and plan for the next period. This informed the priorities and key objectives of the Strategic Plan to ensure that the external environment, governance issues and risks have been fully considered.

All requirements of the Charity Commission, Companies House and the Information Commission's Office were met including the annual inspection of Circles UK's Accounts, Confirmation Statement to Companies House, registration with the Information Commission's Office and submitting the Accounts on time.

In 2020 the Board Chair approached the end of his serving period and a recruitment drive for a new Chair was started in April 2020. However, due to the challenges of COVID-19, it proved difficult to recruit a suitable chair and it was agreed to extend the current Chair's serving period by one year. It is the intention to re-start the recruitment process for a new Chair early in 2021.

One of Circles UK's National Quality Managers resigned and left Circles UK at the end of March 2021. Recruitment for a replacement will happen in the 2021-22 financial year.

OBJECTIVE SEVEN: Continue to develop the evidence base to demonstrate the impact and effectiveness of Circles.

Circles UK continued to oversee the Research and Evaluation Committee. The Committee considered research applications, advised on the development of the Strength Development Review (SDR) as referred to in Objective 4 and started to consider the creation of an Ethics Committee function for Circles UK for small scale evaluations. This work will be continued in 2021-22.

The CirclesEurope Board led an international survey to gauge the impact of COVID-19 on Circles provision (led by Prof Kieran McCartan who leads the Research and Evaluation sub-group of the Board). A total of 16 Circles Providers from eight different countries (three UK Providers, five Dutch Providers, one Belgian Provider, one Spanish Provider, one Latvian Provider, one Irish Provider, one American Provider, and three Canadian Providers) completed the survey. Here is a link to the report: <https://uwe-repository.worktribe.com/output/6828494>. An article on the findings of the research was published in the Howard League ECAN Bulletin ('The impact of COVID-19 on Circles of Support and Accountability') which can be accessed here: <https://howardleague.org/wp-content/uploads/2021/03/ECAN-Bulletin-Themed-Issue-1-March-2021.pdf>

The final National Lottery evaluation report of the 'Completing the Circle' £2 million project which set up 188 new Circles in areas where they had not been delivered before was published. The evaluation found four statistically significant findings:

- Impressively, Core Members demonstrated an 18% reduction in dynamic risk scores over the course of their Circles.
- At the commencement of a Circle, Core Members had significantly poorer emotional wellbeing than the average person. However, emotional wellbeing of Core Members improved significantly throughout the duration of Circles. The data demonstrate an 18% increase in wellbeing scores, with 67% of the Core Members demonstrating significant improvements in wellbeing by the end of their Circle. Emotional wellbeing is a protective factor that contributes to desistance from sexual offending, making it a crucial finding of the evaluation.
- 100% of the Core Members examined were in stable and suitable accommodation whilst an increased number were in work after their Circle finished (42% at the end of the Circle in comparison to 26% at the start).

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OBJECTIVE SEVEN continued:

- Analysis of reintegration (protective) factors also demonstrated significant improvements across a range of variables, including the number of stable, emotional relationships, employment and purposeful activities and hobbies. 52% of Core Members had increased in confidence, 45% had increases in self-esteem, 32% felt more positive about life and 56% were less isolated than before their Circles. These findings are important since social isolation is associated with a greater risk of sexual reoffending, whilst having hope, feeling more positive about one's future and a sense of agency (reflected through a great self-confidence) can act as protective factors against recidivism.

In addition, in respect of Volunteers, findings taken from comparisons of pre- and post-training questionnaires revealed that the training delivered to Volunteers was informative and impactful. Over time the confidence levels of Volunteers increased significantly, and they acquired a range of transferable skills.

FINANCIAL REVIEW

Reserves policy

The Trustees continued to be committed to maintaining a prudent approach to building financial reserves and ensuring expenditure is well controlled. The Trustees' ongoing intention is to hold reserves of at least three months operational funding and have continued to achieve that in the 2020-21 financial year. In addition, the full costs that would be required in the unfortunate event of having to shut down the organisation are costed and reviewed at least annually by the Board of Trustees to ensure that the required reserves are left protected and kept in a separate bank account.

Principal Funding Sources

The climate for income generation remains extremely difficult across the charitable sector and COVID-19 has brought significant additional pressures and competition for funding. However, Circles UK has continued to benefit from the support and partnership of a number of charitable trusts and foundations. For Circles UK, with its services rooted in a deeply challenging and controversial field of work, certain sources of income routinely available to other charities tend to be closed to us. For example, major fundraising events and public fundraising campaigns are unlikely to ever be successful methods of fundraising. We are extremely grateful for the generous support we have continued to receive from the regular donors of our 'Friends Scheme' as well as the charitable trusts and foundations that have continued to support us so generously. Without this support we would not be able to do the valuable work we do.

We are also very grateful for the grant we have continued to receive from the Ministry of Justice / HMPPS. This grant income currently represents our primary income and we remain extremely grateful to the grant manager and other Ministry of Justice / HMPPS colleagues for their continuous support.

We also want to express our appreciation for the Circles UK pro bono and other volunteers who have provided their time and expertise over the year in a variety of ways. Besides these individuals the Trustees wish to thank specifically the following organisations:

AB Charitable Trust
Esmée Fairbairn Foundation
John Ellerman Foundation
The Mary Kinross Charitable Trust
Ministry of Justice / HMPPS

National Philanthropic Trust UK
Porticus UK
The Triangle 1949 Trust
The Tudor Trust

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FINANCIAL REVIEW continued:

Circles UK also received practical help, discounts and time from a number of individuals, which is immensely appreciated. The legal trademark advice provided by Carrollanne Lindley on a pro bono basis over the year has been invaluable and of itself represents considerable financial savings for the charity.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) which the charitable company's examiner is unaware, and each Trustee has taken all the steps they ought to have taken as a trustee in order to make them aware of any information and to establish that the charitable company's examiner is aware of that information.

Independent Examiner

The examiner, Simon Porter FCA, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

Mr G Marshall - Trustee
November 2021

Independent Examiner's Report to the Trustees of
Circles of Support and Accountability UK
(A Company Limited by Guarantee)

I report on the accounts of the company for the year ended 31 March 2021 which are set out on pages fourteen to twenty.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect, the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006; and
 - which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities,have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Simon Porter FCA
120 Woodcote Road
Caversham
Reading
Berkshire
RG4 7EZ

November 2021

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Statement of Financial Activities
for the Year Ended 31 March 2021

	Note	2021		2020
		Unrestricted funds	Restricted funds	Total Funds
		£	£	£
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income	2	235,334	100,000	335,334
Investment income	3	742	-	742
Total Incoming Resources		236,076	100,000	336,076
RESOURCES EXPENDED				
Donations made		-	-	-
Cost of generating funds				
Fundraising trading: cost of goods sold and other co		1,053	-	1,053
Governance costs		2,941	-	2,941
Other resources expended	4	278,468	-	278,468
Total Resources Expended		282,462	-	282,462
NET INCOMING RESOURCES		(46,386)	100,000	53,614
Total funds brought forward		270,190	-	270,190
TOTAL FUNDS CARRIED FORWARD		223,804	100,000	323,804

The notes form part of these financial statements

Balance Sheet
At 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	8	2,985	-	2,985	943
CURRENT ASSETS					
Debtors	9	15,302	-	15,302	6,369
Cash at bank and in hand		350,498	100,000	450,498	323,762
		<u>365,800</u>	<u>100,000</u>	<u>465,800</u>	<u>330,131</u>
CREDITORS					
Amounts falling due within one year	10	(144,981)	-	(144,981)	(60,884)
NET CURRENT ASSETS		<u>220,819</u>	<u>100,000</u>	<u>320,819</u>	<u>269,247</u>
NET ASSETS		<u>223,804</u>	<u>100,000</u>	<u>323,804</u>	<u>270,190</u>
FUNDS	11				
Unrestricted funds				223,804	270,190
Restricted funds				100,000	-
				<u>323,804</u>	<u>270,190</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on November 2021 and were signed on its behalf by:

G Marshall - Trustee

The notes form part of these financial statements

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Statement of Cash Flows
for the Year Ended 31 March 2021

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Cash flow from operating activities				
Net income per SOFA	(46,386)	100,000	53,614	72,175
Less: Investment income	(742)	-	(742)	(231)
Add back depreciation	1,118	-	1,118	789
Decrease/(increase) in debtors	(8,933)	-	(8,933)	13,660
Increase in creditors	84,097	-	84,097	338
	<u>29,154</u>	<u>100,000</u>	<u>129,154</u>	<u>86,731</u>
Cash flows from investing activities				
Capital expenditure	(3,160)	-	(3,160)	(1,061)
Investment income	742	-	742	231
	<u>(2,418)</u>	<u>-</u>	<u>(2,418)</u>	<u>(830)</u>
Net increase/(decrease) in cash:	26,736	100,000	126,736	85,901
Total cash as at 1 April 2020	<u>323,762</u>	<u>-</u>	<u>323,762</u>	<u>237,861</u>
Total cash as at 31 March 2021	<u><u>350,498</u></u>	<u><u>100,000</u></u>	<u><u>450,498</u></u>	<u><u>323,762</u></u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historic cost convention.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice' applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Office equipment	- 33% straight line
Fixtures and fittings	- 25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

	2021 £	2020 £		
2. VOLUNTARY INCOME				
Gift aid donations	4,820	5,434		
Donations	5,550	5,073		
Grants	321,819	590,883		
Subscriptions	1,670	1,568		
Sales income	1,475	897		
	<u>335,334</u>	<u>603,855</u>		
Grants received, included in the above, are as follows:				
Grants to restricted funds (see note 11)	100,000	-		
Other grants	221,819	590,883		
Total grants	<u>321,819</u>	<u>590,883</u>		
3. INVESTMENT INCOME				
Deposit account interest	<u>742</u>	<u>231</u>		
4. SUPPORT COSTS				
	Management £	Finance £	Other £	Totals £
Other resources expended	<u>277,269</u>	<u>81</u>	<u>1,118</u>	<u>278,468</u>
5. NET INCOMING RESOURCES				
	2021 £	2020 £		
Net resources are stated after charging:				
Depreciation - owned assets	<u>1,118</u>	<u>789</u>		
6. TRUSTEES' REMUNERATION AND BENEFITS				
There were no trustees' remuneration or other benefits for the year ended 31 March 2021 (2020 - nil).				
Trustees' expenses				
Trustees' expenses reimbursed during the year ended 31 March 2021 amounted to £40 (2020 - £2,263).				
	2021 £	2020 £		
7. STAFF COSTS				
Wages and salaries	196,544	192,758		
Social security costs	15,564	17,270		
Other pension costs	15,239	15,184		
	<u>227,347</u>	<u>225,212</u>		

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

		Plant and machinery etc £	
8. TANGIBLE FIXED ASSETS			
COST			
At 1 April 2020		19,327	
Additions		3,160	
At 31 March 2021		<u>22,487</u>	
DEPRECIATION			
At 1 April 2020		18,384	
Charge for year		1,118	
At 31 March 2021		<u>19,502</u>	
NET BOOK VALUE			
At 31 March 2021		<u>2,985</u>	
At 31 March 2020		<u>943</u>	
		2021	2020
		£	£
9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Debtors		9,270	-
Prepayments		<u>6,032</u>	<u>6,369</u>
		<u>15,302</u>	<u>6,369</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Trade creditors		452	17,105
Pensions		2,444	2,366
PAYE and NI		5,350	5,686
Deferred income		133,750	33,750
Accrued expenses		2,267	1,977
Other creditors		718	-
		<u>144,981</u>	<u>60,884</u>

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. MOVEMENT IN FUNDS

	At 1 April 2020 £	Incoming resources £	Resources expended £	At 31 March 2021 £
Restricted Funds				
National Philanthropic Trust	-	100,000	-	100,000
Total Restricted Funds	-	100,000	-	100,000
 Unrestricted funds	 270,190	 236,076	 282,462	 223,804
 TOTAL FUNDS	 <u>270,190</u>	 <u>336,076</u>	 <u>282,462</u>	 <u>323,804</u>

12. GUARANTEE

The members of the company have agreed to contribute £1 each to the assets of the company in event of it being wound up.

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	2021 £	2020 £
INCOMING RESOURCES		
Voluntary income		
Gift aid donations	4,820	5,434
Donations	5,550	5,073
Grants	321,819	590,883
Subscriptions	1,670	1,568
Sales income and commission received	1,475	897
	<u>335,334</u>	<u>603,855</u>
Investment income		
Deposit account interest	742	231
Other incoming resources		
Conference fees	-	-
	<u>-</u>	<u>-</u>
TOTAL INCOMING RESOURCES	<u><u>336,076</u></u>	<u><u>604,086</u></u>
RESOURCES EXPENDED		
Donations made	-	25,500
Fundraising trading: cost of goods and other costs		
Purchases	1,053	210,806
Governance costs		
Accountancy	2,941	4,110
Support costs		
Management		
Wages	196,544	192,758
Social security	15,564	17,270
Pensions	15,239	15,184
Insurance	1,566	1,661
Light and heat	854	828
Telephone	1,437	3,906
Postage and stationery	274	-
Rent and services	19,514	19,476
Consultancy fees	4,783	578
Legal and professional fees	2,500	3,243
Life assurance	5,312	5,901
Travel and subsistence	26	10,997
Books and periodicals	29	-
Carried forward	<u>263,642</u>	<u>271,802</u>

This page does not form part of the statutory financial statements

Circles of Support and Accountability UK
(A Company Limited by Guarantee)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	2021 £	2020 £
Management		
Brought forward	263,642	271,802
Equipment maintenance	335	335
Computer consumables	6,096	5,527
Office expenses	1,233	3,065
Meeting costs	(390)	5,211
Subscriptions	755	1,059
Staff welfare and training	77	445
Sundry expenses	-	-
Funds disbursed through other Circles Projects	1,500	210
Training Costs	1,098	248
Repairs & renewals	153	10
Cleaning	2,770	2,719
	<u>277,269</u>	<u>290,631</u>
Finance		
Bank charges	81	75
Other		
Depreciation	1,118	789
TOTAL RESOURCES EXPENDED	<u>282,462</u>	<u>531,911</u>
NET INCOME	<u>53,614</u>	<u>72,175</u>

This page does not form part of the statutory financial statements